

FINANCIAL TIMES

Weekend FT
The drinks are on Russia



Lunch with Lisa Leeson

Sport on ice at St Moritz



World Business Newspaper

WEEKEND MARCH 2/MARCH 3 1996

US grants visa to president of IRA's political wing

US president Bill Clinton yesterday granted a three-month visa to Gerry Adams, president of the political wing of the anti-British Irish Republican Army...

Gorbachev to seek Russian presidency

Former Soviet leader Mikhail Gorbachev, who dismantled his country's totalitarian system, declared yesterday that he would run for Russian president in June...

Threat to block IGC: Germany's Social Democratic party threatened to block the country's ratification of measures arising from the Inter-governmental Conference on reforming the European Union...

Athens demands envoy's recall: Greece is asking Italy and the Netherlands to recall their military attaches after they were detained with documents which "could have been related to information on military installations"...

Fokker on the brink: Heavily indebted Dutch aircraft maker Fokker won a stay of execution from bankruptcy after the Dutch government extended bridging credits for another 14 days...

US anger at Colombia: Washington struck Colombia off its list of countries making progress against illegal drugs, which means the country will lose US aid and economic co-operation...

Tribunal charges officers: The UN tribunal for former Yugoslavia charged Bosnian Serb general Djordje Djulic with war crimes related to bombardments of civilians in Sarajevo...

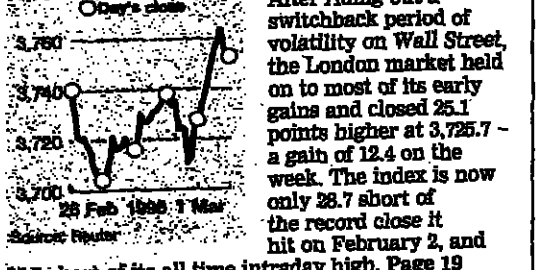
Pera crash kills 123: A Boeing 737 crashed in the Peruvian Andes, killing all 123 people aboard. The aircraft left Lima bound for Arequipa but crashed as it prepared to land in the southern city...

Norway's Mining of Australia becomes a candidate for takeover when Miniro, an offshore operating arm of South Africa's Anglo American Corporation, sold its 18.9 per cent stake...

US index improves slightly: The US purchasing managers' index rose to 45.3 per cent last month from January's 44.2 per cent, showing the outlook for manufacturing is still troubled...

Belgian strikes hit travel: A one-day strike by two Belgian rail unions disrupted travel. The unions took action over plans, including job and pay cuts, aimed at making the railways profitable...

UK stocks surge amid rate cut hopes: FT-SE 100 index



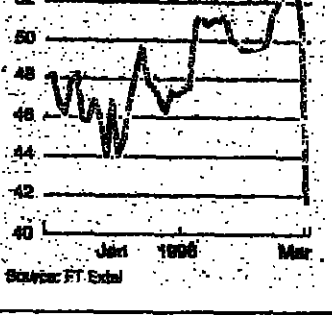
London stocks raced ahead yesterday amid growing expectations of a cut in interest rates. After riding out a switchback period of volatility on Wall Street, the London market held on to most of its early gains and closed 25.1 points higher at 3,725.7...

Pure rock: Rock bands who perform regularly in Hanoi will have to pass a culture ministry purity test. The move is part of Vietnam's purge of political social vices and foreign influences...

Table with 2 columns: Company Name and Share Price

For customer service and other general enquiries call: Frankfurt (69) 15685150

Compaq Computers



Compaq shares fall over price-cut strategy

Shares of Compaq Computer, the world's largest personal computer manufacturer, fell sharply yesterday after it said it would be forced to cut its prices to meet first-quarter sales targets...

The US high technology sector. Mr Eckhard Pfeiffer, Compaq chief executive, said February sales had not met anticipated growth rates. The company added that competition had intensified, particularly in the North American market for PC servers - powerful computers linked to networks of desktop machines...

DM125m (\$85m) loss for 1995, blaming market conditions for its declining revenues and inventory write-offs. In the North American market, Compaq said its PC server business was coming under mounting pressure from top competitors. PC servers typically carry much higher profit margins than desktop or laptop...

Continued on Page 22

Tokyo urges EU to match Asia's free trade moves

By Peter Montagnon, Ted Bardack and John Kamphor in Bangkok

Mr Ryutaro Hashimoto, Japan's prime minister, yesterday called on European leaders to open their markets to respond to the trade liberalisation process under way in the Asia-Pacific. The Japanese leader's challenge, delivered at the European Union-Asia summit in Bangkok, echoed the growing fear among Asian nations that Europe would be a "free-rider" without market-opening measures of its own...

countries but, as expected, kept them out of group sessions. The summit rejected a formal Apec-style timetable for trade liberalisation between Asia and Europe. Instead, leaders focused on the need to work through the World Trade Organisation...

EU officials said Europe did much to open its markets to the outside world under its 1992 single market programme. But they acknowledged privately that if Apec moves far ahead of Europe, they might have to consider further measures of their own...

At today's closing session, Mr John Major, the UK prime minister, will praise Asia's "dynamism and entrepreneurial spirit" - a hallmark of many of his domestic speeches which have sought to contrast the high growth rates of "Asian tigers" with EU labour directives such as the social chapter...

Madrid stock market climbs to two-year high



Rallying support: Felipe Gonzalez waves to supporters at the end of his campaign rally in Barcelona's Olympic stadium

Investors poised for poll win by Spanish opposition

By David White and Tom Burns in Madrid

Madrid's stock market reached a two-year high yesterday in anticipation of a general election victory by the centre-right Popular party tomorrow. However, investors were waiting to see whether the PP, bidding to end the Socialist administration's 13-year rule, would win enough seats to be able to govern alone and push through plans to liberalise the economy and cut the state deficit...

Leaders of Spain's political parties last night sought to muster last-minute support for the elections, widely expected to bring the PP to power for the first time. A tense campaign, twice interrupted last month by terrorist killings by the Basque ETA organisation, came to a halt at midnight after final meetings staged...

Continued on Page 22

Japanese business confidence at highest level for four years

By William Dawkins in Tokyo

Japanese companies are at their most confident for four years, according to a central bank survey, heightening speculation that interest rates may be increased. However, other figures released yesterday pointed to only a moderate recovery in the country's economy...

on a gentle rise since early 1994, interrupted by a downward jolt in the middle of last year when the dollar fell to just under Y80, a level widely thought to be beyond Japanese exporters' ability to compete internationally. The central bank report, known as the Tankan survey, is the most comprehensive guide to Japan's short-term economic outlook and is an important influence on monetary policy...

Business sentiment has been on a gentle rise since early 1994, interrupted by a downward jolt in the middle of last year when the dollar fell to just under Y80, a level widely thought to be beyond Japanese exporters' ability to compete internationally...

Table with 2 columns: Index Name and Value

Table with 2 columns: Section Name and Page Number

Advertisement for Fidelity Self-Select PEP with text: 'IF YOU WANT ME TO SWITCH MY PEP, MAKE IT WORTH MY WHILE.' and '0.5% annual PEP fee'.

NEWS: INTERNATIONAL

Bonn opposition party demands European Union conference take up issue of high unemployment

German SPD threatens to block IGC

By Peter Norman in Bonn

Germany's opposition Social Democratic party yesterday threatened to block German ratification of measures arising from the Inter-Governmental Conference to reform the European Union unless it agrees steps to boost employment or takes steps towards a "social union" in Europe.

- which begins in Turin at the end of this month - in view of mass unemployment affecting nearly 20m people in the EU. "That means there must at last be agreements on employment policy and the European Social Union," said Ms Heide-Marie Wiecek-Zeul, the SPD's European policy spokeswoman, and Ms Ursula Engelen-Kafer, deputy head of the German Trade Union Federation and an SPD leader. The SPD called for "binding

rules" on economic, employment and finance policy to be added to the Maastricht treaty to make possible a "European alliance for jobs". It said the treaty should be changed to allow more qualified majority voting on social issues leading to a European decision on minimum social standards. At a press conference to explain the party's new stance on the IGC, Ms Wiecek-Zeul said that in the absence of social and employment mea-

sures the SPD would refuse to allow ratification of other changes arising from the IGC negotiations in the Bundestag, the lower house of parliament. As measures involving transfer of power to the EU require a two-thirds majority in the Bundestag, the SPD can in effect block measures agreed at the IGC and veto further progress in the EU. The SPD's statements mark a further weakening of Germany's traditional bi-partisan

approach to EU affairs. Since last year SPD leaders have been expressing doubts about economic and monetary union. The Bonn government has so far sought a relatively lean agenda for the IGC, arguing that to press for decisions on too many issues would cause the conference to become hopelessly bogged down. Germany hopes to achieve progress towards a common foreign and security policy; greater co-operation in internal

affairs such as dealing with asylum seekers, migration and combating organised crime and drug trafficking; reform of EU institutions to make decision-making more effective; and greater transparency in EU affairs to increase support for Europe among voters. Although Chancellor Helmut Kohl has made unemployment the government's overriding domestic policy goal, he is unlikely to welcome the SPD's IGC threat.

INTERNATIONAL NEWS DIGEST

Athens demands attachés' recall

Greece said yesterday it had asked Italy and the Netherlands, its Nato partners, to recall their military attachés after they were briefly detained in January on the eastern Aegean island of Lesbos. A government statement said notes belonging to them were found "which could have related to information about military installations". The announcement followed a question in parliament by a deputy from the governing Socialist party, who said the attachés were arrested on January 27, two days before Greece and Turkey came to the brink of war over two Aegean islands. Diplomats said it was unprecedented for a Nato partner to expel a military attaché from another alliance member-state. The tense climate in the Aegean has made Greece sensitive about fortifications in islands close to Turkey, where several thousand Greek troops are stationed. Kerin Hope, Athens

Property setback for Bonn

Chancellor Helmut Kohl's governing Christian Democrats yesterday suffered a setback after the Bundesrat, or upper house, threw out a draft law which would have given former owners of property along the Berlin Wall the right to restitution, provided they paid 35 per cent of the current market value to get their land back. Instead, the SPD, which dominates the Bundesrat, said former owners should not have to pay anything at all, a move which will delight former owners, particularly east Germans who cannot afford to pay for land which was theirs before the wall was built in 1961. It will, however, prolong a six-year dispute which has plagued investors and divided the nation. The case will now be referred to an arbitration committee of the two parliamentary chambers. Judy Dempsey, Berlin

Germany to outlaw army taunts

Germany's ruling coalition yesterday approved a draft bill which would punish pacifists who taunted the army. The bill is a response to conservative outrage at a series of court decisions endorsing the right of anti-war protesters to use the slogan Soldiers are Murderers. The government is also keen to boost the army's status. Under the bill, those who insult the army will be fined or jailed for up to three years. Reuter, Bonn

Caracas delays IMF talks

Political turmoil in the Venezuelan Congress has forced Caracas to postpone negotiations with the International Monetary Fund over a standby agreement. Mr Luis Matos Azocar, minister of finance, said the talks had been put off by "a couple of days" until the situation in Congress had been clarified. Indications of a shift in party alliances ahead of today's elections for the president of Congress threatened the government's majority and its negotiating basis with the IMF. M.A.S., the socialist party, is considering withdrawing support from the government to join an alliance of opposition parties in exchange for the top congressional post. Mr Matos Azocar said the government depended on congressional support to approve tax bills that would help reduce the budget deficit. The postponement of the IMF talks coincides with fading hopes that Venezuela will soon reach a standby agreement over \$3bn. Raymond Collitt, Caracas

Warning on Russian trade curbs

The European Commission yesterday warned Russia that a future EU-Russia trade pact and the creation of the World Trade Organisation would be in jeopardy if Moscow put tariffs on a range of imports. Moscow wants to become a member of the WTO, but is under growing pressure ahead of presidential elections in June to defend its vulnerable industrial base with more protectionist economic policies. Mr Vladimir Pavlov, finance minister, has said he wants to raise import tariffs on a range of goods from alcohol to cars by an average of 20 per cent. Mr Hans van den Broek (above), EU foreign affairs commissioner, plans to discuss the issue during a visit to Moscow on March 18-19. Reuter, Brussels

Hyundai plans \$6bn chip plants

Hyundai Electronics plans to spend \$6.6bn on four overseas semiconductor plants by the end of the decade, according to Mr Chung Mong-hun, the South Korean company's chairman. The new facilities in the US, Europe and south-east Asia are part of a \$10.7bn foreign investment programme. Two of the plants will be located in the US, including a \$1.3bn facility in Eugene, Oregon to produce memory chips and a \$2bn facility to manufacture wafers. The \$1.3bn European plant, which Mr Chung said was likely to be located in the UK, will produce memory chips, while the \$2bn south-east Asian facility will manufacture wafers. Hyundai will also invest \$500m to expand the production of hard disk drives in China and Singapore, while spending \$200m to begin the overseas assembly of hard disk drive heads and other components following its 1994 purchase of Maxtor, a US hard disk drive maker. John Burton, Seoul

Solar power for drink dispensers

Japan's environment agency yesterday reached an agreement to replace 10 per cent of the nation's soft drink vending machines with models powered by solar batteries. The accord reached between the agency and domestic vending machine makers called for the introduction of about 193,000 new machines within seven years, officials at the agency said. According to the agency, Japan had 4.1m vending machines at the end of 1993, with 1.83m selling soft drinks. Kyodo, Tokyo

Turkish right close to a coalition pact

By John Barham in Ankara

Turkey's two rival conservative leaders said last night they were close to forming a coalition government, but a "few small differences" remained to be settled before they could sign an agreement.

Mrs Tansu Ciller, caretaker prime minister and head of the True Path party, said: "We hope to announce the coalition's framework and outlines on Sunday. We have overcome important stages in the coalition." Mr Mesut Yilmaz of the opposition Motherland party added that "only details" remained to be settled. The outcome of the talks was extremely positive.

Mr Yilmaz said he expected final agreement by tomorrow. Mrs Ciller said both parties would approve the coalition next week, allowing them to sign the new governments programme formally in the middle of the week.

Previously the two leaders had each demanded that they lead the coalition first before handing over the premiership to the other after a year. They also quarrelled over the powerful economic ministries. Disagreement over these points blocked two previous attempts at forming a coalition since inconclusive elections in December gave no party a mandate to rule. The Islamist Welfare party won the most seats in parliament, but failed to clinch a coalition deal with

Mr Yilmaz last week.

Mrs Ciller, apparently responding to pressure from business, the media and the politically powerful military, has agreed to cede the premiership to Mr Yilmaz before taking over again in 1997 for two years, after which Mr Yilmaz would resume as prime minister for another year. A neutral figure would lead the coalition in its final fifth year. The two parties have also reportedly agreed on how to divide the economic portfolios.

Although business welcomes the coalition, some in the Istanbul business world still question its ability to govern effectively. Mr Erol Sabanci, head of Akbank, Turkey's biggest private bank, said yesterday: "I worry that this government cannot tackle problems adequately. If there are two voices in management it is not easy to make decisions." Another senior banker said he feared political infighting would interfere with managing the economy. "If one party controls the central bank and the other has the treasury they could do a lot of damage if they don't learn to co-operate."

Mr Sabanci says he is reconciled to a continuation of Turkey's high inflation and big budget deficits, and expects poverty to worsen. He says new elections should be called in three to six months in the hope that voters would return a strong centre-right government.



General Djukic greets a member of his defence team at The Hague tribunal yesterday

Serb general indicted by war crimes tribunal

By Laura Silber in The Hague

A Bosnian Serb officer, General Djordje Djukic, was yesterday indicted by the international tribunal on war crimes in the former Yugoslavia for shelling civilians in Sarajevo. The case is the most crucial test for the The Hague war crimes tribunal since it was founded three years ago. General Djukic, 61 next week, has been held in custody with Bosnian Serb Colonel Aleksa Krsmanovic since February 12 after being extradited from Sarajevo. The two officers were seized by Moslem-led Bosnian government police on January 30 after they took a wrong turn near Sarajevo.

Chief prosecutor Richard Goldstone said he was satisfied there was enough evidence to justify indicting General Djukic. The general's lawyers had demanded his release and insisted that he would refuse to co-operate with the tribunal. Mr Goldstone said Gen Dju-

kić was logistics assistant to Bosnian Serb General Ratko Mladic, who is charged with genocide, and helped the Bosnian Serb army to shell civilian targets during the siege of Sarajevo. Previously he was the Yugoslav army officer in charge of logistics in Bosnia and remained allegedly close to the Serbian leadership, who sponsored the Bosnian Serbs. Prosecutors are now investigating whether he was involved in procuring buses used to transport Moslems from Srebrenica, where Serb soldiers are believed to have killed up to 8,000 Moslem men, or in the transport by rail of Moslems and Croats to Bosnian Serb detention camps.

The tribunal said a detention order on Colonel Krsmanovic had been extended for a month until April 3. Col Krsmanovic has not been indicted but is being held as a possible war crimes suspect and witness. The case has raised fears among western governments

that, in the short term, the prosecution of war criminals - in particular the top leadership - will upset the hard-won Dayton peace agreement. The Bosnian Serb military last month severed all links with the Nato-led Implementation Force (Ifor) for two weeks in protest against the "kidnapping" of Gen Djukic.

The tribunal has now indicted 53 people, all but seven of them Serbs. Of the 53, only Gen Djukic and one other Serb, Mr Dusan Tadic, are in the tribunal's custody. Mr Radovan Karadzic, Bosnian Serb chief, and General Mladic, military commander, were indicted last July but western ambivalence towards the tribunal is illustrated by the reluctance of Ifor to arrest the two men. Indeed, Mr Karadzic this week travelled across Bosnia to Banja Luka, the north-western Serb city, where he was even in a building guarded by Ifor. Goldstone interview. Weekend FT, Page XX

Ukraine to speed state sell-offs

By Matthew Kaminski in Kiev

Ukraine plans to speed up the privatisation of nearly 400 companies and sell four large state enterprises by international tender, the state property fund announced yesterday. The move is intended to highlight the government's commitment to privatisation, which was severely criticised by market reformers last year. The sell-offs could unlock more foreign aid and investment.

In a voucher auction, 320 medium and large companies will be offered, more than at any time since the programme was launched a year ago. Another 33 are to be sold for cash through the stock exchange.

The pace of mass privatisation picked up late last year, as 247 of 565 companies sold in 1995 went in the last quarter. The government, pressed by disappointed western donors, deflated enterprise price tags, improved incentives for management and streamlined regulations in order to get the effort off the ground. It also has sought to sidestep parliament, dominated by communists opposed to privatisation, by using cabinet or presidential decrees rather than legislation.

The state property fund said 817 more companies had been prepared for sale. Mr Leonid Kuchma, Ukraine's president, said last year Ukraine would sell 8,000 large enterprises and complete privatisation of small companies in 1996, but he never gave the programme enough political backing.

However, in a recent speech he again declared his political support for the state property fund, Ukraine's privatisation agency, which is often entangled in turf battles with reluctant local government officials. Small-scale privatisation is now supposed to be finished by the middle of the year. The World Bank has demanded Ukraine accelerate privatisation before receiving about \$300m of loans. Privatisation receipts are critical to keeping the tight revenue and expenditure targets in the draft 1996 budget.

Little Estonia sends big tremors through mighty Orthodox church

The Soviet break-up has sparked rivalry between Moscow and Istanbul for leadership of the eastern Christians, reports Bruce Clark

From Vladivostok to Corfu, eastern Christians will tomorrow mark Orthodox Sunday a commemoration of the moment in the 9th century when the veneration of icons was accepted as church doctrine after 100 years of strife.

But even as the downfall of the iconoclasts - the would-be destroyers of religious paintings - is celebrated for the 1,153rd time, a new fault line is emerging among the world's 16m or so Orthodox believers. It is an argument with some disturbing historical overtones. It pits Bartholomew I, who as 270th Patriarch of Constantinople is broadly recognised as "first among equals" among eastern prelates, against the largest and most powerful group of his co-religionists - the Patriarchate of Moscow.

At stake are the 80 or so Orthodox parishes in Estonia, which were subordinated to the Moscow Patriarchate after the Soviet annexation of that republic in 1940 - but have recently returned to the mother church in Istanbul. As Moscow tells it, the acceptance by Constantinople of responsibility for Estonia's believers amounts to collusion with the Baltic republic's government - and its policy of discrimination against Russians. For the churchmen of Istanbul, embracing the Estonian parishes was a moral obligation, in response to the clearly expressed wishes of a majority of believers there.

The see of Constantinople, now housed in modest wooden premises in a rundown quarter of Istanbul, has pronounced its opinion in a Greek so ancient and august that it would baffle the average Athenian on the trolley-bus.

But the principal message is clear enough: the Patriarchate has "accepted, as a tender-hearted mother, the free and unanimous request of its children and recognised the church of Estonia as autonomous". President Boris Yeltsin intervened yesterday with a stern letter to Estonia's President Lennart Meri which expressed his "deepest concern" over the situation.

He said he was speaking both on behalf of his own subjects and his "compatriots" - in other words, Russian speakers - in Estonia. Mr Yeltsin took little apparent interest in church affairs

embracing the Estonian parishes was a moral obligation, in response to the clearly expressed wishes of a majority of believers there.

The see of Constantinople, now housed in modest wooden premises in a rundown quarter of Istanbul, has pronounced its opinion in a Greek so ancient and august that it would baffle the average Athenian on the trolley-bus. But the principal message is clear enough: the Patriarchate has "accepted, as a tender-hearted mother, the free and unanimous request of its children and recognised the church of Estonia as autonomous".

President Boris Yeltsin intervened yesterday with a stern letter to Estonia's President Lennart Meri which expressed his "deepest concern" over the situation. He said he was speaking both on behalf of his own subjects and his "compatriots" - in other words, Russian speakers - in Estonia. Mr Yeltsin took little apparent interest in church affairs

The Russian Patriarch, who is from Tallinn, the Estonian capital, himself, knows the Estonian problem well and may be the only figure who can fashion a compromise. But as he fights Moscow's corner in the dispute, he is haunted by a formidable array of ghosts.

The claim of Moscow to have supplanted Istanbul as the capital of eastern Christendom has echoed down the centuries, particularly since the Queen of cities fell to the Ottoman Turks in 1453. It was summed up by one of the most famous quotations in Russian history: the proclamation of the monk Filofey, in 1510 that "two Romes have fallen, but the third stands and no fourth can ever be".

As every Russian schoolboy knows, the eastern Slavs adopted Christianity from Byzantium - the second Rome - in 988 after their envoys had investigated several religions. Islam was rejected because it would mean abstinence from alcohol: in the words of Prince Vladimir, "drinking is the joy of Rus, we cannot live without it." Eastern Christianity was finally adopted, in acknowledgement of the breathtaking beauty of services in Byzantium's Hagia Sofia cathedral. But even if the parenthood of the Russian church is not in doubt, it has always been a strong-willed daughter.

BERKELEY FUTURES LIMITED 38 DOVER STREET, LONDON W1X 3EB TEL: 0171 639 1133 FAX: 0171 495 0022

Union FUTURES AND OPTIONS TRADING Clearing and Execution Service 24 hrs Tel: +44 171 329 3030 Fax: +44 171 329 3919

PHILLIP ALEXANDER SECURITIES AND FUTURES LIMITED 125 FINSBURY PARKWAY, LONDON EC2A 1PA Tel: (44) 171 417 9720 Fax: (44) 171 417 9719 \$32 ROUND TURN

KNIGHT-RIDDER'S FUTURES MARKET DATABANK FROM \$570 24HR FOREX 171-865 0800

SPREAD BETTING ON OVER EIGHTY MARKETS CITY INDEX

FOREX Margined FOREX

OFFSHORE COMPANIES

FT GUIDE TO WORLD CURRENCIES

Petroleum Argus Daily Oil Price Reports

Market-Eye

The Financial Times plans to publish a Survey on Slovenia on Thursday, March 14. The survey will discuss Slovenia's political stability and developments in that area; also its rapidly improving infrastructure. Other articles will include the economy, trade, banking and finance and industry.

Colombia faces US sanctions over drugs

By Nancy Durne in Washington

The US yesterday removed Colombia from its list of countries making progress against illegal drug trafficking, thereby triggering economic sanctions from Washington.

Mexico remained on the list, in spite of being a possible candidate for removal, after agreeing to introduce legislation to combat money laundering and other financial crimes.

The controversial list, a provision in the Foreign Assistance Act, is released every March 1 as a tool in the US war on drugs. It is intended to stem the supply of narcotics to the US, but it is highly resented abroad, where governments complain that the US - the world's leading consumer of illegal drugs - should be concentrating its efforts on suppressing demand.

However, governments make great

efforts to avoid being "de-certified", so the process is still seen as a motivating force by many US officials, who credit it with having helped in the fight against Colombia's Cali cartel.

Colombia's failure to be "certified" means a loss of US aid - apart from anti-drug assistance - and all US Export-Import Bank financing, and automatic US opposition to loans from multilateral lending institutions such as the World Bank.

While Colombia receives little direct US aid, US opposition in the development banks may slow or stop new loans being approved. About \$900m of such loans are up for possible approval this year. US trade preferences worth an estimated \$100m a year, are possible but not mandatory.

Last year Colombia was placed in an intermediate category by the US, which meant economic sanctions

were waived on the grounds of vital national interests.

Mr Clinton also ruled that Afghanistan, Burma, Iran, Nigeria and Syria were not co-operating. All had received a similar finding last year.

Mr Robert Gelbard, the assistant secretary of state who runs the state department's counter-narcotics bureau, said that, in a change from last year, Mr Clinton certified Peru and Bolivia as fully co-operating with anti-drug efforts. The efforts of Lebanon, Paraguay and Pakistan were exempted from sanctions for national security reasons, Mr Gelbard said.

Mexico is currently getting special attention. In a report released yesterday by the state department, Mexico was identified as the principal transit route from South America for cocaine entering the US as well as an important source for heroin, methamphetamine

and marijuana. Last week Mexico sent a team to negotiate with the state department in a last-ditch effort to remain on the list.

"Drug traffickers used their vast wealth to corrupt police and judicial officials as well as project their influence into the political sector, as recent Mexican investigations have revealed," the report said.

However, Mexico made some gains. It stepped up its illegal crop eradication, and made significant arrests, including Raul Salinas, brother of former President Carlos Salinas, and 11 key members of the Gulf cartel.

The state department said Colombia remained the world's leading producer and distributor of cocaine and a big supplier of heroin and marijuana. It said the government of President Ernesto Samper, who has been charged with receiving more than \$8m in Cali cartel funds to finance his

campaign, lacked "commitment" in support of its law enforcement entities.

Sarita Kendall adds from Bogota: Colombian business leaders said the US government decision to decertify the country was a grave blow to its international standing, but that immediate measures, such as stopping US non-drug related aid and the US vote against Colombia in multilateral financing organisations, would have little effect on the relatively strong economy. However, the possibility of trade sanctions being applied at a later date was a much more serious threat.

Mr Rodrigo Lloreda, a former foreign minister, said decertification represented a moral sanction against Colombia and that the political crisis generated by drug funding of the presidential election campaign had influenced the US decision.

S Carolina's machine offers chance to Dole

Jurek Martin on Republican candidates' hopes where new industry meets evangelism

Eight years ago the South Carolina Republican primary was where Vice President George Bush finally slew the dragons who were pursuing him for the party's presidential nomination. Thanks to then Governor Carroll Campbell and the local born campaign strategist, the late Lee Atwater, he overcame Senator Bob Dole and the Rev Pat Robertson with some ease.

Just as much is at stake in today's primary. Mr Dole, now majority leader, needs to win, preferably well, to re-establish himself as the front-runner. Mr Pat Buchanan has to show he can expand on the Rev Robertson's 20 per cent religious base, Mr Lamar Alexander from Tennessee that southern credentials matter, and Mr Steve Forbes, with the least to lose here, that a Yankee millionaire can be respectable even without spending a small fortune.

Most local experts predict that order of finish. Dr Bob Taylor, business school dean at the evangelical Bob Jones University and the representative of Greenville County on the state Republican committee, gives the conservative commentator "an outside chance" of beating Mr Dole, whose support he thinks is "soft and slipping." But he cautions adds: "That would be a real upset."

Mr Blease Graham, political scientist at the University of South Carolina, is willing to talk numbers. "Anything over 36 per cent is a big plus for Dole," he says, "but anything less makes it hard for him to claim much of a victory, particularly if he finishes under 10 points clear of second."

His university colleague Bill Kreaml suspects it is Mr Buch



- Republican primaries: the early leaders**
- Number of delegates won to the party's nominating convention:
 - Steve Forbes 60
 - Pat Buchanan 37
 - Bob Dole 35
 - Lamar Alexander 10
 - 37 delegates are at stake in today's vote in South Carolina
 - 241 are to be decided in votes and party caucus meetings in nine states on Tuesday and 102 in New York's vote on Thursday
 - State votes, caucuses and conventions continue until early June
 - Winning the nomination requires securing 996 delegate votes at the mid-August convention
- Source: AP, Reuters

with the ancient and equally modern churches and auditoriums of fundamentalism.

Mr Buchanan's appeal turns on this axis. It is a question of whether the well paid BMW assembly line worker who also attends a charismatic church votes with the head or the heart or conceivably both. He may be on the former ground with blue-collar textile workers, but even this industry, if a shadow of its former self, is rationalising into profitability, often courtesy of foreign investment.

Mr Dole and Mr Campbell have recognised the risks in the religious constituency. The majority leader's ever tougher pronouncements against abortion meant that the local right-to-life movement this week declared only himself and Mr Buchanan to be acceptable candidates. Mr Dole also turned up on Thursday night, as he has not in New Hampshire, at the latest in a series of "God and Country" rallies staged by the Christian Coalition, the Rev Robertson's creation. Predictably, it was Mr Buchanan who again drew the loudest applause.

Another element of uncertainty about today is that registered Democrats and independents may vote in the Republican primary. With President Bill Clinton unopposed, South Carolina Democrats have dispersed with its own primary, choosing instead to hold caucuses of the faithful on Tuesday.

This raises the spectre of tactical or mischievous voting, just about the only leverage left to Democrats in this increasingly Republican state. Logically, that could work in Mr Buchanan's favour, if for no other reason than that he is still seen as the candidate least likely to beat Mr Clinton in November. One national poll this week had the president ahead of Mr Buchanan by a substantial 59-36 per cent.

But Blease Graham is not so sure. He thinks some Democrats, not least the one third who are black, dislike Mr Buchanan's populism so much they will turn out against him, but he cannot predict whether they would opt for Mr Dole, Mr Alexander or Mr Forbes.

It is the sort of conundrum that would have appealed to Lee Atwater. As Dr Taylor accurately puts it, "when Lee died [of a brain tumour in 1991] Bush died." But South Carolina's role today is to give life to one or more Republican candidates. In this primary process, each state counts.

There is in South Carolina a touch of civility and decency - and Pat Buchanan comes over as a somewhat ill-mannered boor

anan who may be in for disappointment today. "Within its conservatism, there is in South Carolina a touch of civility and decency, unlike the rest of the south - and Pat Buchanan comes over here as a somewhat ill-mannered boor."

He certainly is an affront to the state's Republican establishment. Mr Campbell, now a Washington-based insurance industry executive but still mentioned as a possible running mate for Mr Dole, has pulled out all the stops for the majority leader.

That has included securing the endorsement, possibly by strong-armed means, of Mr David Beasley, the current governor. He is a convert in more ways than one - a Democrat but five years ago who also has abandoned a high-rolling public lifestyle for fundamentalist Christianity. Blease Graham is far from alone in thinking Mr Beasley's backing of Mr Dole is a little lukewarm.

Dr Taylor also compares unfavourably the current Campbell-Beasley machine with that assembled by the former governor and Mr Atwater in 1988. He would not be surprised if Mr Buchanan carried the Greenville-Spartanburg axis, where the evangelical movement is strongest, winning some convention delegates in the process.

This is the part of the state where the old and the new South Carolina collide, where the gleaming new factories of BMW, Michelin, Hitachi, Mita and many foreigners more stand almost cheek by jowl

Israelis spurn Hamas offer to halt bombings

By Mark Dennis in Jerusalem

Israel yesterday rejected a truce offer by the Palestinian Islamic group Hamas, a day after it pledged to halt suicide bomb attacks if Israel met a series of conditions.

Mr Ehud Barak, Israeli foreign minister, said Israel would not negotiate with Hamas, reiterating government policy that the Palestinian Authority, of Mr Yasser Arafat must deal with the militant organisation.

"There is no room for negotiations with terror cells inside the area of the Palestinian Authority because we then exempt the Palestinian Authority from its main responsibility," Mr Barak told Israeli Radio yesterday.

Hamas said that if the offer, which demanded a halt of Israeli "aggression" against Palestinians and the release of Hamas prisoners, was not accepted by March 8, attacks on civilians would continue. It called Mr Barak's rejection "foolish" and said the offer still stood.

Hamas's secretive military wing, the Izzadin al-Qassam, claimed responsibility for two suicide bombings last Sunday which killed 25 people. The attacks have shaken popular support for the government of the prime minister, Mr Shimon Peres, at the outset of a three-month campaign leading to the May 29 general election.

Opinion poll results released yesterday showed that a resurgent Mr Benjamin Netanyahu, the opposition Likud leader, would run almost level with Mr Peres if he were to conclude a deal with a prominent rival who split from the Likud party last year to form his own party.

In the aftermath of November's assassination of Mr Yitzhak Rabin, Mr Netanyahu had trailed Mr Peres by up to 17 points.

Mr Netanyahu - who is on the verge of creating a formidable rightwing block with the Geshper party of Mr David Levy, the Likud dissenter, and the ultra-nationalist Tsomet party - promises to curtail the peace process if elected.

Hamas's military wing has made other truce offers in the past, which have also been rejected by Israel. But Thursday's offer was also signed by the political wing, an unprecedented link, according to observers.

Hamas said it would suspend attacks against Israeli civilians if Israel "halts its organised terror against Hamas and its Izzadin al-Qassam units and if Israel ends its aggression against Palestinian civilians on conquered lands and releases all Hamas prisoners."

The Palestinian Authority, which arrested more than 200 Hamas activists after Sunday's attacks, welcomed the offer.



Ryutaro Hashimoto of Japan, Germany's Helmut Kohl and China's Li Peng join hands at yesterday's summit opening

EU-Asia summit meeting gets under way in Bangkok

By Peter Montagnon in Bangkok

Europe and South Korea signed a political and economic co-operation agreement on the margins of the EU-Asia summit in Bangkok that should assist Korea's application to join the Organisation for Economic Co-operation and Development.

The agreement commits Korea to open its markets in areas such as financial services, long an objective of its industrial country partners. It also calls for fair competition in shipbuilding, another sector of interest to the OECD.

European officials say the agreement is more substantive than those the EU has with other countries. The EU had leverage in its negotiations,

they add, because of Korea's OECD application.

To join the OECD, Korea will still have to do more to liberalise its capital flows and foreign investment rules, particularly in telecommunications, where foreign ownership is limited to 33 per cent.

In bilateral meetings in Thailand, the European Commission has also been pressing South Korea "very hard" for a bigger commitment to telecommunications liberalisation in the World Trade Organisation discussions.

But "we are moving forward," said one European official. Despite widespread fears of a delay, there is a chance Korea's OECD application may be successfully concluded on schedule this year.

Under the EU-Korea agree-

ment both sides are committed to abstain from discrimination in improving access to their domestic markets. This will prevent Europe from being cut out of bilateral agreements with third parties, such as Korea's deal with the US on patent protection in the late 1980s, which gave benefits to the US that were initially denied to Europe.

The deal should also help ease tension on shipbuilding, where Korea's insistence on increasing its capacity has created what the Commission calls "severe structural disequilibrium."

The agreement binds the two sides not to support their own shipbuilding industries in a way which would distort competition, or bail them out in the event of future difficulties.

South Korea has also promised to phase out by 1998 its rules requiring Korean ships to carry certain bulk cargoes. It also promises to enforce measures effectively to protect intellectual, industrial and commercial property rights.

Portugal has neatly sidestepped an embarrassing row with Indonesia by making a new bid at the Asia/Europe summit to break the impasse over the disputed territory of East Timor.

The Portuguese prime minister, Mr Antonio Guterres, proposed the two countries, which have no diplomatic ties, exchange diplomats to be located in "friendly embassies" if Indonesia makes a goodwill gesture by freeing East Timorese resistance leader Xanana Gusmao and other dissidents.

Cuba embargoes spark protests

By Bernard Simon in Toronto, Daniel Dombey in Mexico City and David White in Madrid

Canada has objected strongly to proposed US legislation aimed at penalising foreign companies doing business with Cuba. Mr Arthur Eggleton, Canada's trade minister, is expected to raise Ottawa's concerns at meetings tomorrow and on Monday with Mr Mickey Kantor, the US trade representative. The Canadian ambassador in Washington has written to several members of Congress seeking support.

The Canadian protests reflect concern among several other countries, including Mexico and Spain, that the US

legislation, known as the Helms-Burton bill after its congressional sponsors, would improperly interfere with their trade and investment interests in Cuba. Ottawa also claims that parts of the bill violate the North American free trade agreement (NAFTA) between the US, Canada and Mexico.

The bill, which is expected to be passed by Congress and signed by President Bill Clinton next week, would tighten US sanctions against Havana in retaliation for the recent downing of two US light aircraft off the Cuban coast. The bill is also designed to make it more difficult for foreign companies doing business in Cuba to operate in the US.

Another provision would bar executives of companies doing business in Cuba from entering the US. Canada says that this would violate NAFTA's guarantee of free movement between the US, Canada and Mexico.

Canada's commercial links with Cuba have grown markedly in recent years. Two-way trade totalled \$359m (\$42m) last year. Canadian companies are among the most prominent foreign investors, with interests ranging from mining and hotels to a pizza chain.

"It's one thing for the US to take action against Cuba," one official said. "It's another for them to take action against Canadian companies."

In Mexico, Mr Miguel Angel

González Félix, a legal affairs adviser to the foreign ministry, said this week that, if passed, the Helms-Burton bill would become a "source of tensions" because of what he said were US attempts to legislate outside its territory.

Mexico has annual exports of about \$350m to Cuba, and is also one of the chief investors in the country. Cuba was Mexico's fourth biggest export market in 1995.

In Spain, investors adopted a wait-and-see attitude towards the US legislation moves. The Sol hotel group, one of several Spanish concerns active in the tourism sector, said it would carry on with its projects for the time being.

US index hints at lifting gloom

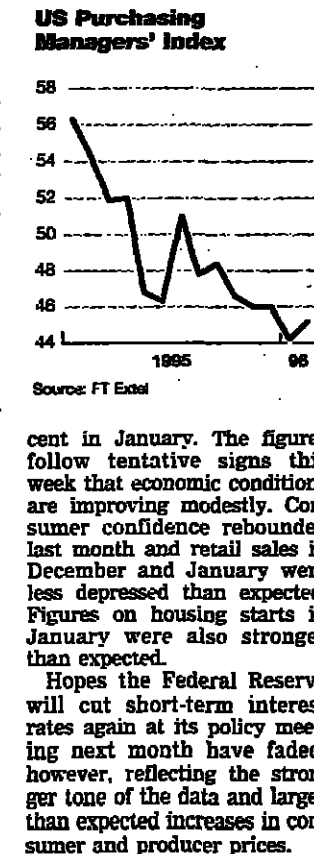
By Michael Frowse in Washington

The outlook for US manufacturing industry remains troubled but not quite as grim as in January, figures indicated yesterday. The purchasing managers' index rose to 45.2 per cent in February from 44.2 per cent in January, a less decisive rebound than predicted by many economists.

A reading below 50 per cent is generally taken to indicate contraction in manufacturing industry. A reading below 44.5 per cent - as occurred in January - indicates contraction of the whole economy. This year, however, the January figure may have been depressed by severe winter storms on the east coast.

The index has been below 50 per cent for the past seven months, reflecting the efforts of US companies to bring excessive levels of inventories into line with slower growth of demand. This has involved cuts in production and employment in manufacturing.

Purchasing managers said the most encouraging aspect of the report was an increase in an index measuring new orders to 44.7 per cent from 41.6 per



China tightens commodity trading

By Tony Walker in Beijing

China has narrowed futures trading by state enterprises, to commodities relevant to their own production, in tough new regulations aimed at curbing speculation on the country's hedging exchanges.

At the same time all financial institutions, including banks and co-operatives, are to be banned from commodities futures trading. They are obliged to unwind their trading positions within 40 trading days from March 4.

The regulations, issued by the State

Council, or cabinet, are the latest in a series of measures aimed at bringing order to China's chaotic commodities markets. The authorities had previously banned trading in some 19 commodities in an effort to curb speculation.

"State-owned enterprises will only be allowed to get involved in futures hedging activities relevant to their production," said the State Council notice. "They are forbidden from getting involved in either speculation or market manipulation."

Financial institutions were also banned from membership of futures brokerages

and prohibited from offering letters of guarantee or providing loans for futures trading.

China has witnessed spectacular surges in futures prices for various commodities in the past year or so as speculators have targeted particular items, including plywood and red beans. The State Council notice indicated that China wished to support legitimate hedging activities by state companies, and said it would soon relax restrictions on futures trading on "some staple products in its leading futures exchanges."

No-hope candidate in Australian poll sets his sights high

There are few certainties surrounding today's Australian election. But the political heavens will have to fall in before Mr Kiewit, the Nguyen, the first Vietnamese immigrant to contest a seat in Australia's federal parliament, makes his way to Canberra.

Mr Nguyen, a refugee, is unfazed. "I have no hope," he says, as he weighs up the competition in the west Melbourne seat of Gellibrand. "But I will prove that I am serious and one day, later, perhaps I can win. I don't care if it takes two more decades, I will still have my say."

Mr Nguyen is a rarity in the current election campaign. For

Campaigning in Australia's federal election ended on an ambiguous note yesterday, with most of the polls pointing to a victory for the conservative Liberal-National coalition, but with enough doubt left for both Mr Paul Keating, prime minister, and Mr John Howard, coalition leader, to claim an edge, writes Nikki Tait.

One poll published in the Brisbane Courier all the talk of multiculturalism in Australia and the country's close attention to the Asian region, there are no "new immigrant" faces on the parliamentary benches in Canberra. Moreover, neither of the main parties contending for government - Labor and the conservative Liberal-National coalition - has fielded Asian-born candidates.

This is not too surprising. Even in Sydney, the biggest magnet for Asian immigrants, the population is "Asian-born" only about 8.5 per cent of the population is "Asian-born". It has taken three or four decades for the earlier wave of European immigrants - Italian and

Greek - to win significant representation in the federal parliament, although this now stretches up to ministerial level.

Mr Nguyen, though, believes he is a forerunner of more Asian involvement in Australian politics. "In the Asian community, a lot of people are

only about making money," he admits.

"But some people think if you join in the political system you can change society." He expects Melbourne's Vietnamese community to field at least one candidate in the impending Victorian state election, for example.

Mr Nguyen's choice of party has been the Australian Democrats. This is the most significant of the minor parties, with a strong social and environmental agenda. Having been jailed several times in Vietnam, he says it was the Democrats' stance on human rights which attracted him two years ago.

"I'm from a communist country. I've seen how much people suffer. But the Democrats stand up for human rights."

That said, the would-be MP also admits that the issues confronting the Gellibrand electorate - which takes in the big Vietnamese community in Footscray - are more mundane. Unemployment is painfully high, while small-business owners complain about the twin burdens of tax and bureaucracy.

Drug abuse is a growing problem.

The surprise is that these harsh realities lead Mr Nguyen to advocate a reduction in Aus-

tralia's immigration levels - a line sometimes criticised in his own community.

"I know some politicians who make all sorts of promises [for easier entry], and sometimes they say I am a racist. But if you bring people here, they will have no job. And then everyone has to pay [for social security benefits] through higher taxes," he argues.

The chances of Mr Nguyen putting such views into practice are nil; Gellibrand, solidly working-class, is one of the safest Labor seats. Its incumbent member is Mr Ralph Willis, Australia's federal treasurer, whose victory margin three

years ago was a massive 25.6 percentage points.

But if Mr Nguyen will not be swapping his job as a motor mechanic for life in Canberra, political involvement has brought some immediate benefits.

Until the campaign started, neither he nor his family had any contact with their Australian neighbours. He suspects they thought he could not speak English.

But a mention in the local newspaper and a few TV appearances broke down the barriers. They are now big supporters, he says.

Nikki Tait

NEWS: UK

Fujitsu delays \$1.25bn semiconductor growth

By Alan Cane in London and Chris Tighe in Newcastle upon Tyne

Fujitsu, the Japanese electronics company, is delaying by at least six months a planned \$1.25bn (£1.5bn) expansion at its semiconductor plant at Newton Aycliffe in north-east England. The company said last September it would build a memory-chip-making facility to be completed next year creating 500 jobs. Yesterday it said construction would

be delayed until late 1996 with completion expected in early 1997. The level of investment, however, would be at least as high as promised. The company said it had taken a strategic decision to leapfrog current technologies and move directly to the most advanced memory chips, 64mbit SD-Rams. "This move will propel the Durham [north-east England] plant to the forefront of volume memory device production," it said. Analysis said yesterday that the company's decision represented an intelligent response to problems in the memory chip market in which

prices have fallen steeply because of uncertainty over demand for personal computers. Other manufacturers have closed chip production units or plan to do so. Mr Joe D'Elia, semiconductor analyst for the technology consultancy Dataquest, said that in two years there would be strong demand for 64mbit SD-Rams which would command premium prices. SD-Rams, which operate much more quickly than conventional D-Rams, would be needed to match the speed of the microprocessors which would be available then. Meanwhile Fujitsu

intends to increase production of 16mbit D-Rams in Newton Aycliffe to supply the European market. The company has already invested £400m at the Newton Aycliffe site. The expansion announced last year was expected to make the site the UK's biggest single inward investment in recent years. The investment decision confirmed north-east England, which Siemens also chose in 1995 for a £1.13bn microchip investment, as an emerging European location for semiconductor manufacture. Yesterday Fujitsu said news of the

change in its strategy, announced to the Newton Aycliffe workforce during the morning, was good news for the site. Overall investment there, it said, was now likely to be bigger. "It maintains this plant at the high-technology end of the industry," said the company. The news, added the company, further upgrades the products and status of the Newton Aycliffe plant, which in 1994 was designated best Fujitsu factory worldwide. "The delay is a little bit disappointing, but it's well worth it," the company said.

Nuclear company to face heavy cost before privatisation

By David Lascelles, Resources Editor

British Energy, the company created for the privatisation of the nuclear power industry, will have to pay £1bn (£1.5bn) to reprocess spent fuel inherited from past operations.

This marks a setback for the company, which is also locked in negotiations with the government over the amount of debt it should be made to carry on its balance sheet.

British Energy had been saying that it was unfair to burden it with the cost of spent fuel from the past. Normally, this fuel would already have been reprocessed and the cost paid by its predecessors, the state-owned Nuclear Electric and Scottish Nuclear.

However, the fuel is in store at British Nuclear Fuels' plant at Sellafield in north-west England because the necessary reprocessing capacity was created only with the completion of the Thorp plant last year. It could be several years before it is all reprocessed.

Mr Tim Eggar, the energy minister, took the view that all the liabilities associated with the assets being placed in British Energy - eight nuclear power stations - should go into the company as well. According to those close to the talks, the issue is now closed.

The disputed liabilities account for about one eighth of the total £8bn liabilities with

which British Energy is expected to be launched into the private sector. The remaining liabilities cover the cost of reprocessing future spent fuel from the eight stations, and decommissioning those when they are shut down in the first part of the next century.

The other main issue between British Energy and the government - the level of debt on its balance sheet - is still far from resolution. British Energy wants to keep its debt to a minimum, but the government, embarrassed by the easy profits made by past electricity privatisations, wants to gear up its balance sheet. Discussions are expected to continue for several weeks.

Mr Robert Hawley, the chief executive of British Energy, will unveil details of British Energy's track record on Monday. This will show, on a pro forma basis, how British Energy would have performed if it had been a private company for the past five years.

However, he is expected to duck questions about his company's balance sheet because of the failure to resolve the debt issue by the February-end deadline. This means that the City of London will have to wait for a full financial picture of British Energy. The privatisation, expected to raise about £2.5bn, is scheduled for early July.

Breakthrough on applying decals helps pottery maker to win order

Disney shifts output from Asia

By Peter Marsh in London

Walt Disney has handed a lucrative contract for making promotional mugs to one of Britain's biggest pottery makers in a deal involving a switch of production from the Far East.

The contract is with Staffordshire Tableware of Stoke-on-Trent in the English Midlands. It is based around an innovative processing technology which is helping an important part of Britain's \$750m-a-year tableware industry move upmarket into higher-value designs.

The process, which speeds up the printing of complex patterns on to mugs, is being commercialised by Service (Engineers) also of Stoke, a leading maker of pottery machinery.

Under the Disney deal, Staffordshire is the single European supplier of specific designs of mugs featuring Disney characters from films such as *101 Dalmatians*, *True Story* and *Pocahontas*. The contract is worth about \$1.5m a year. However, the value could increase significantly if the US entertainment group decides to change more mugs for sale in Europe from Japan, China and Thailand.

One of the keys to the supply switch is Staffordshire's pioneering use of a new method of putting onto mugs the decals used to make complicated patterns. Without this automated technique, the decals have to be applied by hand at the rate of



Gordon Wareham, chief executive of Staffordshire Tableware, examines decals

about 45 an hour. Relatively high UK labour costs mean UK pottery companies frequently have been unable to compete on production of such mugs against rivals in the Far East. But with the Service machines, which each cost about £50,000 (£76,500), one fairly unskilled person can apply about 600 decals an hour, a 15-fold increase in productivity.

The machines - the result of about five years' work by Service, part of the Midlands-based Reece industrial group - work by sliding a magazine of transfers onto mugs at high speed using special silicone

rubber rollers. "It [the printing process] has the potential to transform mugs from purely utilitarian items to products using the very latest design techniques," said Mr Kevin Farrell, director of the British Ceramic Federation, the main trade body for the industry.

Service has sold 50 of its pattern transfer machines, 30 of them to pottery companies in the Stoke region. Other UK mug makers - whose total output is an estimated £70m a year - using the machines include John Tams, R. Kirkham and Churchill China, all based around Stoke.

Royal jeweller in Ferrari racing deal

By John Griffiths in London

Asprey, the 200-year-old jeweller to Britain's royal family, is accelerating towards expansion in north America and the Asia-Pacific region aboard Formula 1 world champion Michael Schumacher's Ferrari.

The venerable institution of London's New Bond Street was bought by Prince Jefri Bolkiah of Brunei late last year. It plans to set up a network of outlets, mostly in partnership with leading hotels, across the two regions as part of what is intended to be a new era for the company after several troubled years.

A sponsorship deal under which Ferrari's grand prix cars will compete in this year's world championship with Asprey's logo on their bodywork forms a principal part of the new strategy to internationalise the company.

In contrast to the blood-red colour and sound and fury of the cars, a discreet veil was being drawn yesterday over the precise workings of the sponsorship agreement and the value of the cash input to Ferrari, the aristocratic end of Italy's Fiat automotive group. However, Mr Edward Asprey, a director and member

of the former owning family, said Asprey expected to have access to Ferrari's base of highly exclusive customers, who buy around 3,000 of the Italian sports cars every year at prices ranging from £90,000 (£137,700) to £328,000.

Asprey will also develop a range of merchandise with Ferrari, Mr Asprey continued. But it will be much more exclusive than anything previously attempted in the motor racing arena.

Asprey retains many jeweller craftsmen at its London headquarters and is preparing to engage Italian designers for the Ferrari merchandising venture.

One immediate objective is to craft exhaustively-detailed models of the grand prix cars themselves. Mr Ian Dahl, chief executive, hinted delicately that the prices might not match the cost of a grand prix car but could give a roadgoing Ferrari a run for its money. Asprey will use this year's 18 grand prix - starting in Melbourne next weekend - as focal points to entertain existing customers and prospective new ones. Its owner is unlikely to be far away. Prince Jefri, younger brother of the Sultan of Brunei, is well known for his own life in the fast lane.

UK NEWS DIGEST

Toll protesters invoke ancient law

The Act of Union between England and Scotland was invoked in court yesterday by an advocate who argued that tolls on the bridge to the island of Skye were illegal under the 18th century legislation. Mr Neil Murray, defending 78 people accused of not paying their toll on the privately financed bridge, said the charges violated two clauses of the 1707 Treaty of Union and were thus invalid.

"The clauses, he said, guaranteed full freedom of trade and navigation throughout the two kingdoms, and ensured uniformity of legislation in Scotland and England. Some 78 people crowded into Dingwall Sheriff Court in northern Scotland charged with refusing to pay the tolls on the Skye Bridge, which opened in October. The tolls are levied by the Skye Bridge company, a consortium of Miller Group of Edinburgh, Dywidag of Munich and Bank of America, which won a concession to construct the £25m (\$38.25m) bridge and recoup the cost through tolls for up to 27 years. James Buxton, Edinburgh

Russia expels businessman

Mr Nigel Shakespeare, a Moscow-based businessman, has achieved the rare distinction of being expelled from Russia for a second time because of "activities incompatible with his status" - a phrase normally regarded as diplomatic shorthand for alleged spying. The British Embassy has asked the Russian authorities to explain why Mr Shakespeare was yesterday stripped of his visa at Moscow airport and put on a flight to England after returning from a business trip from Almaty, capital of Kazakhstan.

"We do not understand why this happened and we are asking the Russians to elucidate," a British embassy official said. Mr Shakespeare returned to Russia in 1992 to join Price Waterhouse, the international auditing and consulting firm. But for the past two months he has worked for Gorandel Trading, a joint-venture commercial services company. In 1988, while working as assistant military attaché at the British embassy, Mr Shakespeare was expelled together with 10 other Britons amid spying allegations. The move followed the expulsion of 11 Soviet diplomats and journalists working in London at the time. John Thornhill, Moscow

Engine maker rethinks closure

Cummins, the US diesel engine manufacturer, has given in to strong pressure from the British government and agreed to a partial reprieve for its plant at Shotts in Scotland. The plant had been due to close by the end of the year as part of a worldwide rationalisation, with the loss of 700 jobs. Some 180 jobs will be preserved at the plant, declining to 60 over the next two years. But 500 people will still lose their jobs by midsummer. Cummins will also investigate the possibility of setting up an independent machine shop business at its factory which could provide 80 jobs. James Buxton

Museum to get millennium cash

The British Museum in London is to get up to £30m (\$45.9m) from the Millennium Commission to renovate and provide a glass roof for the Great Court at the heart of the building. The inner court was part of the original museum building and the provision of funds from the National Lottery will enable the area to be opened up to the public for the first time in 150 years. Ms Jennifer Page, chief executive of the Millennium Commission, said the glass roof by architect Sir Norman Foster would create an indoor piazza "where people would be able to enjoy themselves close to one of the world's greatest cultural resources".

The existing Reading Room at the museum will also be turned into an Information Centre and new galleries will be created to display the African collections. The Millennium Commission receives 20 per cent of the net proceeds of the National Lottery. Raymond Snoddy, London

Small airline attacks BA

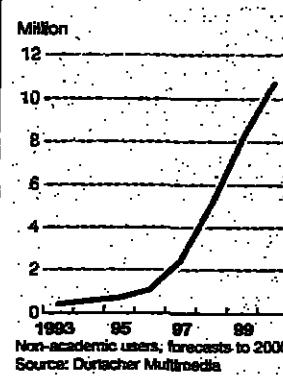
British Mediterranean Airways, a small independent carrier, has complained to the European Commission that British Airways has provided misleading information about flights on which the two airlines compete.

British Mediterranean, which flies to Beirut and Damascus, says BA's computer reservation system showed three weekly flights to these cities at the beginning of February. BA only flies to Beirut and Damascus twice a week.

BA said yesterday: "We are aware of the allegation but have checked the computer reservation system and can find no incorrect information relating to services to Damascus and Beirut." Michael Skapinker, Aerospace Correspondent

Students dominate Internet

Number of users



Students and academics with free access to the Internet courtesy of their institutions represent almost 70 per cent of the UK's Internet surfers, but they are set to decline as a proportion of the total. The number of non-academic users will grow exponentially as personal computers become common in the home and small office, and the Internet becomes available over cable and wireless networks. About 8 per cent of users connect to the Internet for more than 100 hours a month, 49 per cent for between 15 and 99 hours a month and 43 per cent for less than 15 hours a month. With the advent of cheap or free local calls, usage could rise dramatically. While 23 per cent of new users reckoned it took them only a day to learn to use the system, 28 per cent said it took a month. Alan Cane, Industrial Staff

Wales wins \$350m high-tech plant

By Roland Adburgham in Newport

A \$230m (\$350m) semiconductor plant is to be opened in south Wales by QPL International Holdings, the Hong Kong-based electronics group. The facility, for its Welsh subsidiary Newport Wafer-Fab, is expected to create 768 jobs over the next five years.

The project, confirmed yesterday, will be sited next to Newport Wafer-Fab's existing plant at Newport, which employs about 400 people. QPL acquired the former Immos factory three years ago from SGS-Thomson Microelectronics.

The new facility, producing eight-inch silicon wafers, is described by the company as the most advanced in Europe. It is the largest single investment in the Newport area since the construction of the Llanwern steelworks over 30 years ago. Further large invest-

ment could come with a possible future expansion, for which part of the 8ha site has been already earmarked.

Mr William Hague, chief minister for Wales in the British government, described the project as "a huge investment at the leading edge of technology". He said it was "a signal to the whole world that the UK in general, and Wales in particular, is an outstanding place to invest." The project is supported by a substantial finan-

cial package which includes a regional grant, of an undisclosed amount, from the British government.

Both Mr Hague and Mr David Rowe-Beddoe, chairman of the Welsh Development Agency, were involved in negotiations in Hong Kong to secure the plant.

France and Ireland were also considered by QPL as locations. But Mr Steve Byars, chief executive of Newport Wafer-Fab, said: "The dedica-

tion and commitment shown by our workforce led QPL to continue to invest in new technology and additional capacity at Newport."

Mr Rowe-Beddoe said it would act as a magnet for investment and create the highly skilled and high-technology jobs that Wales needed. Mr T. L. Ll. chairman of QPL, said: "The project is a further step towards QPL's goal to provide a one-stop shop for the production and assembly of semiconductors."

The plant will be built and fitted out by the WDA and leased to Newport Wafer-Fab. At 20,000 sq metres, it will be double the size of the existing plant and capable of producing 10,000 silicon wafers a month. One of its customers will be another Welsh subsidiary of QPL, the 65mm Asat semiconductor assembly plant at Crumlin, Gwent, which is just coming into production.

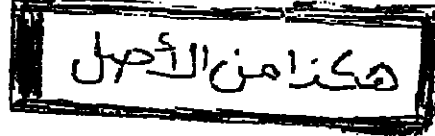
<p>LESLIE SUMNER 0171 873 3308</p> <p>WEEKEND BUSINESS</p> <p>J.R. & A. SMITH LIMITED T/A BRITISH VELVET (In Administrative Receivership)</p> <p>The Joint Administrative Receivers offer for sale the business and assets of the UK Retail Division ("Story Velvet") of J.R. & A. Smith Limited. The principal features of the division are:-</p> <p>Distributors of high quality cotton velvets</p> <p>Excellent customer base in the United Kingdom</p> <p>Turnover in the year ended 30th June 1995 of £848,000</p> <p>Further details may be obtained from, and all offers and enquiries should be directed to, The Joint Administrative Receiver, Christopher Mark Slater, ACA, Royce Peeling Green, Hilton Chambers, 15 Hilton Street, Manchester M1 1JL.</p> <p>Telephone: 0161-236-7792 Fax: 0161-228-0173</p> <p>RPG Corporate Recovery</p> <p>Royce Peeling Green is authorised by the Institute of Chartered Accountants in England & Wales to carry on investment business.</p>	<p>CHANNEL ISLANDS Freehold shop and office investments. £500,000 plus. Well let - buoyant economy. Rents rising. Write to Box 84332, Financial Times, One Southwark Bridge, London SE1 9HL.</p> <p>BARKER & CO SOLICITORS London, all your UK/INTL business/corporate law, competitive fees. Tel 0171 493 0077 Fax 0171 493 7000</p> <p>Home & Office Software</p> <p>FINALLY, REAL-TIME DATA YOU CAN AFFORD STOCKS, CURRENCIES, BONDS, DERIVATIVES AND NEWS Tenture providing global real-time financial data direct to your PC at the lowest possible cost. Our Windows platform facilities seamless interfacing with other Windows applications. Available across Europe. Call Tenture on 0171 405 4541</p> <p>TRADING MADE EASY Beginner or professional, MDC can supply you with the best investment software packages: MetaStock - Supercharts - TradeStation - Supercharts (including selected modules) - Option Evaluation. MDC also stock over 800 book titles, videos and magazines on a variety of trading topics. Call or fax for a free catalogue. Market Data Centre, 21st Great Tower Street, EC3R 5AQ. Tel: 0171 552 0094 Fax: 0171 552 0085</p> <p>CENTRAL SOFTWARE UNIT TRUST SYSTEM Robust Networked Package Recommended by top Fund Managers. Complete functionality. Multi-currency. Multi-lingual Correspondence. European and Arabic. High Staff Productivity. A totally modern economic Platform for IT, efficiency.</p> <p>John Ormond Central Software Tel: 01628 60887 Fax: 01628 62700 888 Midweek FCN Helpline 400 01763 244 286 Fax: 01763 244568</p> <p>UNIVERSAL EXOTICS, OPTIONS, SWAP, YIELD, ZERO-CURVE ADD-INS Additional spreadsheet functions for: Financial Markets Professional using Lotus 1-2-3 and Excel (Windows, OS/2, Mac), European and American style options and warrants on bonds, commodities, currencies, futures and shares. Prices range from 0.05 to £2,000. 250+ Financial Systems Software. A division of PHL Limited. The Register House, 12th Floor Aldersbury Square London EC2V 7HR Tel: +44 (0) 71 620 9633 Fax: +44 (0) 71 608 4102</p>	<p>Put your business on the World-Wide Web</p> <p>WebPRO</p> <p>Tel: 0181 435 4355 Fax: 0181 24 50 101</p> <p>http://www.webpro.co.uk eMail: info@webpro.co.uk</p> <p>REAL TIME & END-OF-DAY TECHNICAL ANALYSIS SOFTWARE from INDEXIA Three Technical Analysis systems available. Updates in Real-time from P6 Market Eye, Telecast, Pages & Stocks Feeds. Update End-of-day OCELV data for 4500 instruments for only £5 per month. INDEXIA Research, 121 High Street, Sharnbrook NN23 2JL Tel: 01462 878015 Fax: 01462 878034</p> <p>SHARE TRACKER PUTS YOUR INVESTMENTS ON TRACK Portfolio management and analysis software. Updates via Teletext, Modern or disk. New companies added automatically. Shows daily prices for 3,500 shares for 10 years. Previews clear graphs. Experts in popular analysis packages including MetaStock and TradeStation. Support team on 24hrs. Desktop Software 01722 562964</p> <p>Prognosticator® FORECASTING Networks into a super MATHNet™. Dev. by Dr. Ed Aczel, author: <i>Neural Network Time Series: Forecasting with Financial Markets</i>. Wiley 1994. Call 24hr brochure hotline: 01 818 653 8350. Fax: 0115 958 5890. For PC: <i>Microcast</i> 01722 562964. <i>Thomson Harmer Ltd</i>, 83 Woodhouse Dr., Nottingham NG2 6JW</p>
---	--	---

from blame
DVI 25m

Bowden
agreed bl
trencherwood

Mansfield le
after six mo

Will grow off



Escom blames market for DM125m deficit

By Wolfgang Münchau in Frankfurt and Paul Taylor in London

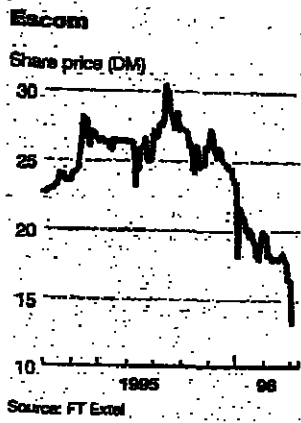
Escom, the German computer maker and retailer, yesterday blamed falling personal computer sales, stock writedowns and price cuts for much higher than expected losses of about DM125m (\$85m) last year.

The troubled company, which is still majority-owned by its founder Mr Manfred Schmitt, also announced that shareholders and creditors had agreed to keep the company afloat with DM100m in new finance. Of this, DM60m would go to new capital and the rest in the form of extended credit lines.

Shares in Escom, which were suspended on Wednesday before yesterday's announcement, reopened yesterday down more than 25 per cent at DM11.95.

Escom blamed its poor performance on lower sales in Germany, price cuts, and the expansion costs, including the acquisition of more than 200 Rumbelows stores in Britain last year.

"The lack of Christmas business, especially in the German market, had resulted in too-large stock levels," said



Escom, and the need for "significant writedowns because of the drastic price falls for computer components".

Escom said its decision to build up its business lines of Commodore and Amiga products - cheap computers designed for home use - had also led to additional costs.

Escom's 1995 loss is almost three times the shortfall forecast by the company at the end of December, and the accompanying statement contrasted sharply with the optimism displayed only six months ago when it said it was profitable.

Yesterday the company

declined to divulge further financial details although it had already revealed that turnover last year was DM2.35bn, well short of a previous forecast of DM3.1bn.

The company's disappointing performance highlights the difficulties faced by low-tier brand manufacturers and retailers in the increasingly saturated German market.

Germany remains Europe's biggest PC market, with 1.04m machines sold in the final quarter last year, according to Dataquest, the market research firm. But in contrast with most European markets which posted growth rates above 30 per cent in the 1995 final quarter, PC sales in Germany grew by only 7 per cent.

Dataquest figures show that Escom's market share in terms of units sold in the fourth quarter fell from 4 per cent in the 1994 period to 3.2 per cent last year, and it ranked as Europe's 10th largest PC seller, down from sixth a year earlier.

Among other German-based manufacturers Vobis, which sells under the Highscreen brand, saw its market share drop to 3.7 per cent while Siemens Nixdorf overtook Vobis with 4.5 per cent.

Newcrest makes move on Normandy Mining

By Nikki Tait in Sydney

Normandy Mining, the Australian mining group headed by Mr Robert Champion de Crespigny, became a candidate for takeover yesterday when Minorco, the Luxembourg-quoted offshore operating arm of the Anglo American Corporation of South Africa group, sold its 18.9 per cent stake.

Minorco also sold a smaller 3.7 per cent interest in PosGold, the goldmining arm of Normandy, in which the parent company holds a 51 per cent interest. The two sales raised about A\$330m (US\$222m).

But within hours, it emerged that Newcrest Mining, the Australian goldminer, had picked up much of the former Minorco interests. Last night, Newcrest confirmed it held 10.5 per cent of Normandy and 10.5 per cent of PosGold. It said it had spent about A\$420m in the two as "strategic" investments. "New-

crest is seeking early talks with the board and directors of Normandy Mining," it said.

The raid on Normandy attempts to consolidate his stable of mining companies into one principal listed company. Last year, Normandy announced plans for a four-way share-swap merger, aimed at bringing its interests, PosGold's, plus those of two listed PosGold units - Gold Mines of Kalgoorlie and North Flinders Mines - under one roof.

Normandy, which says the new structure would be simpler for investors to understand and should generally enhance the group's value, is due to seek shareholder approvals for the transaction this month.

Yesterday, Normandy said Newcrest had not advised it of its intentions but that "obviously" directors of Normandy and PosGold will do everything possible to ensure equal treatment of shareholders and that

control of either Normandy or PosGold will not change unless all shareholders in each company are treated fairly".

It added that the benefits of the A\$3bn merger had "if anything, been reinforced by this development", after the sharp increase in the Normandy and PosGold share prices.

Normandy shares leapt 25 cents after the Minorco sale, to close at A\$2.65, while PosGold closed 28 cents higher at A\$3.75. GMK gained 12 cents to A\$1.64, while North Flinders was 68 cents up at A\$8.99.

The raid by Newcrest, formed six years ago when BHP and Newmont Mining merged their Australian gold-mining operations, is the latest in a spate of deals and takeovers in the Australian mining sector. Two rival bidders are jostling for control of Gasgoyne Gold Mines while Acacia Resources this week announced a hostile A\$87m offer for Solomon Pacific Resources.



Julian Ogilvie Thompson, chairman of Minorco, which sold stake

Mercedes picks Stuttgart for engine plant

By Wolfgang Münchau

Mercedes-Benz, the luxury car and truck maker, is to invest DM1bn (\$680m) in a plant in Stuttgart to build a new generation of engines for its mid-sized cars.

Yesterday's announcement comes at a time of intense debate about Germany's ability to attract new investment. It is a significant boost to the south-west of the country, which has been under increasing pressure to retain its formidable industrial base.

The announcement caught senior managers in the company by surprise. They had not planned to make an official statement for several months but the news came out by accident, when a Mercedes manager spoke at a local town council meeting in a discussion about infrastructure planning.

Mercedes said the Stuttgart location won against competition from other sites, but

Fokker, the beleaguered Dutch aircraft maker, won a two-week stay of execution from bankruptcy yesterday after the government extended crucial bridging credits for another 14 days, writes Ronald van de Krol in Amsterdam.

The extension of the F1250m (\$155m) credit facility, which had been widely expected, will make it possible for Fokker to pursue negotiations with Samsung of South Korea or to attempt a solo relaunch in slimmed-down form with the help of Dutch financiers.

The credits, originally granted for a five-week period in late January, were due to expire on Monday. Fokker has used about F1200m in

credits, meaning the government may not have to honour a previous pledge to put up another F120m to F130m.

Samsung is considered the only serious contender for Fokker, but it is far from clear whether the South Korean industrial group will put forward a proposal for taking over the Dutch company's aeroplane assembly lines - even with the 14-day credit extension.

Fokker, a heavily loss-making producer of regional aircraft, was plunged into crisis in January by a decision from its controlling shareholder, Daimler-Benz of Germany, to end further financial aid.

The company had already decided to site the production of its new V6 and V8 engines in Stuttgart, and to use a separate factory to produce engines for a new series of compact cars.

Mr Helmut Werner, chairman, said: "Within a few months we have decided for the third time in favour of Stuttgart and in favour of producing in Germany. It is perfectly possible for us to manufacture here at a profit. However a condition is [that] we can negotiate without dogma and without constraints about shifts, working time and pay."

Mercedes said the capacity of its new engine plant would eventually reach 2,800 units a day. The company will produce four-cylinder petrol engines as well as four, five and six-cylinder diesel engines. The factory is scheduled to be completed in late 1997, and will employ about 1,700 staff.

Wilson Bowden makes agreed bid for Trencherwood

By Andrew Taylor, Construction Correspondent

Wilson Bowden yesterday furthered the consolidation of the housing market with an agreed £10.4m takeover of Trencherwood, the struggling housebuilder.

The total cost of the deal will rise to more than £33m including some £23m of net debt at Trencherwood at the end of October, when the Berkshire-based group showed net assets of £5.3m.

Trencherwood owns 771 housing plots with planning permission, but Wilson Bowden will also gain access to some 5,200 plots controlled under options in one of the most sought after housing regions in the country.

There is also more than £20m of tax losses at Trencherwood, of which Wilson Bowden will take advantage. It said its all-cash offer would be earnings enhancing in the first year.

The company has received acceptance representing 51 per cent of Trencherwood shares, including the more than 40 per cent held by the group's bankers.

Wilson Bowden is offering 8.5p for each ordinary share, and the same amount for each AF convertible preference share. Holders of AR convertible preference shares will be offered 0.95p a share.

It is the latest in a series of purchases and asset swaps by UK housebuilders. These include Persimmon's acquisition last month of Trafalgar House's Ideal Homes offshoot

for £180m and the sale in December by BICC of Balfour Beatty Homes for £81m to Westbury.

George Wimpey, in the biggest deal of all, is swapping its construction and quarries businesses to acquire Tarmac's UK housebuilding division.

In the year to October 31 Trencherwood achieved pre-tax profits of £1.21m (£2.11m).

Mr David Dugdale, chairman, said the company, in spite of its refinancing in February 1993, continued to be hindered by high borrowings while trading conditions remained difficult.

Wilson Bowden, regarded as one of the most successful companies in the sector, has warned that profits for the second half of last year would be down because of the downturn in the market.

Pre-tax profits in the first half rose by just 3 per cent to £1.7m (£15.5m).

COMMENT
Increasing difficulty in purchasing land and obtaining planning permission has persuaded Wilson Bowden to break with tradition and make an acquisition. In this case it is purchasing an attractive landbank when the housing market appears to be starting yet another recovery. Whether this momentum is maintained after Easter is another matter. But the Trencherwood business needs only to generate profits of about £2.3m to be earnings-neutral. Shareholders should have no qualms about supporting this strategic acquisition.

Granada creates hotels division

By David Blackwell

Granada, the television and leisure group, has set up a division to manage the hotels acquired in its £2.9bn takeover of Forte earlier this year.

Meanwhile late last night, Granada was continuing talks with Regal Hotel Group, which is hoping to buy most of the White Hart chain for £122m cash. The talks were understood to be finely poised.

Granada has the right to rescind the contract struck between Regal and Forte in January. The right to rescind has already been extended twice, with the latest deadline set for last night.

The Forte restaurant businesses - including Little Chef, Happy Easter, Travelodge, Welcome Break and Cote France - is being absorbed into Granada's leisure and services division. The division, which includes the Granada and Pavilion motorway service areas, will have annual sales of £1bn.

Granada said the changes were designed "to bring about the rapid integration of the Forte businesses and will enable us to benefit from the synergies already identified in roadside and popular catering."

The hotels division, to be headed by Mr Patrick Copeland, will be grouped into international and UK businesses. The international business will comprise Exclusive and Meridien - the chains which Granada has repeatedly said it will sell.

Rod Mansfield leaves Lotus Cars after six-month tenure

By John Griffiths

The departure, announced yesterday, of Mr Rod Mansfield as managing director of Lotus Cars after only six months was "wholly amicable", the Norfolk-based company claimed.

However, Mr Mansfield, 61, the former chief of Ford's special vehicle operations who came out of retirement to take the post at Italian-owned Lotus, had earlier this week denied company statements that he was "on holiday". Yesterday Lotus said that Mr Mansfield, who was unavailable for comment, was "working out the notice of his consultancy and will ensure an orderly handover".

Lotus is owned by Bugatti International, a Luxembourg-registered company controlled by Mr Romano Artoli. Its Italian sister company, Bugatti Automobili, was declared bankrupt late last year and Lotus's future has since been the subject of persistent speculation.

Lotus, which employs about 1,000 people at its Hethel headquarters, yesterday forecast turnover 22 per cent ahead at £65m for 1995, with retained profits of £5.8m against £3.4m.

It said that in line with its intention to become "global leader" in vehicle engineering and performance car manufacturing, it was adding to its

engineering facilities and installing additional research equipment.

The car manufacturing division was in a "strong" position, it said, with the new Lotus Elise small sports car - to be launched shortly - already having 1,000 orders. A new V8 engine is being launched at next week's Geneva motor show and the company is returning to international motor sport.

Mr Mansfield's role as managing director is to disappear. Two current directors, Mr Hugh Kemp and Mr Andrew Walsley, are to take control of the engineering and car manufacturing businesses respectively.

ICI sells Grow offshoot

By Daniel Green

Imperial Chemical Industries is selling the household and consumer products business of its recently acquired Grow Group to US-based Sherwin-Williams for between £35m and £39m.

ICI bought Grow, the US paint maker, in May 1995 after it outbid Sherwin-Williams with a \$360m (£230m) offer. ICI said at the time it would be looking at possible disposals.

The businesses to be sold have annual sales of about \$90m, mainly of specialty aerosol, household and professional cleaning products.

This is likely to be the only significant disposal from the Grow businesses. The remaining activities concentrate on paint, a core business of ICI.

Both ICI and Sherwin-Williams have been battling to increase sales in the US paint market, which accounts for a third of world sales.

ICI followed up its capture of Grow with the \$30m acquisition in July 1995 of Fuller-O'Brien Paints, taking its share of the US paints market to about 15 per cent.

ICI established itself in the market in 1986 with the acquisition of Cleveland-based Glidden Paints for \$550m.

In 1994, it introduced its Dulux brand into the US and increased its presence with the acquisition of California's Decatrend Paints.

FIERA MILANO. NON STOP.

There's no stopping at Fiera Milano. One event follows another, punctually and successfully. As always. Over 70 exhibitions and 1.5 million sq. m. of stand space sold every year. 35,000 exhibitors and 2.6 million visitors, with work forging ahead on new pavilions and the refurbishment of existing ones to make them even more functional. If you don't believe us, just look up. The year 2000 is already on its way.

INTERNATIONAL EXHIBITION CALENDAR FROM JANUARY TO JULY 1996

January

19-22 CHIBI '96 International exhibition of gift articles, fancy goods, perfumery items, costume jewellery and smokers' supplies

19-22 CART '96 International exhibition of stationery, paper and cardboard products, articles for school and fine arts

24-28 34th SALONE DEL GIOCATTOLO '96 International Toy Fair
Lacchiarella, South Pavilion

28-30 MIAS INVERNALE '96 International sportswear, sport and camping equipment exhibition

February

9-12 MACEF PRIMAVERA '96 International Exhibition of Tableware, Household and Gift Items - Silverware - Gold - Watches

23-25 MIFLOR '96 Floriculture, Plants and Gardening Accessories. International Exhibition
Lacchiarella, South Pavilion

28 Feb. BIT '96 International Tourism Exchange

March

4-6 MODA IN International clothing, textiles and accessories exhibition
Lacchiarella, South Pavilion

13-16 FLUIDTRANS COMPOMAC 15th International biennial exhibition of Power Transmission Systems and Control and Engineering Design Equipment



14-17 69th MIPEL International leather goods market

14-18 EXPO DETERGO '96 Specialist international exhibition of equipment, services, products and accessories for laundering, ironing, dry cleaning and related industries

April

18-22 SALONE INTERNAZIONALE DEL MOBILE International Furniture Show

18-22 EUROLUCE 18th International Biennial Lighting Technology Exhibition

May

27-31 30th MOSTRA CONVEGNO EXPOCOMFORT International exhibition and conference of Heating, Air-Conditioning, Refrigeration, Plumbing & Sanitary Installations, Bathroom Fittings

3-6 MIDO '96 International optics, optometry and ophthalmology exhibition

4-12 INTERNAZIONALE DELL'ANTIQUARIATO International Antiques Fair

7-11 GRAFTALLIA Exhibition of machinery and materials for the graphics, publishing and electronic publishing industries

7-11 CONVERFLEX International paper, paper converting and package printing machinery exhibition

22-27 15th INTERBIMALL International biennial wood processing machinery and accessories exhibition

22-27 15th SASMIL International exhibition of components for furniture

4-6 ESMA International knitwear and clothing exhibition

6-9 Lift '96 2nd International exhibition for lifts, related components and accessories - technical press and services

7-10 CHIBIDUE '96 International exhibition of gift articles, fancy goods, perfumery items, costume jewellery and smokers' supplies

7-10 CHIBIMART '96 Selling Market of typical craft products

12-14 BORITEC 8th International Cooperation, Development and Investment Exchange

1-2 MIAS ESTIVO '96 International sportswear, sport and camping equipment exhibition



The heart of Milan.

Fiera Milano - Largo Domodossola, 1 - 20145 Milano - Tel. (+39)2 4997.1 - Fax (+39)2 4997.7179 - Tx 331360-332221 EAFM I
Representative for Great Britain, Ireland
OVERSEAS TRADE SHOW AGENCIES LTD 11, Manchester Square - GB - London W1M 5AB - Tel. (0171) 4861951 - Fax (0171) 4873480 - Tx 24591

COMPANY NEWS: UK

Henlys poised to seek reclassification

By Motoko Rich
Henlys Group, the motor, bus and coach group, is considering the reclassification of its listing on the Stock Exchange and in the FT-SE Actuarial indices.

Currently listed as a distributor, it is seeking advice on a possible transfer to the engineering, vehicles category.

Mr Robert Wood, chief executive, said: "In the second half of last year, following acquisitions, 67 per cent of our profits came from bus and coach manufacturing rather than distribution."

Pre-tax profits for 1995 rose 57 per cent, from £16.1m to £25.3m, on sales up 16 per cent at £451.6m. Strong growth in the bus and coach division offset weak new car sales.

Acquisitions contributed £7m to operating profits in Henlys's bus and coach division. Continuing businesses raised profits 69 per cent to £14.4m.

Operating margins in the division expanded from 10.7 per cent to 12.9 per cent. Production at the group's Planton factory in Scarborough rose by 30 per cent.

Profits in the motor division

edged up to £7.54m (£6.96m), attributable to the group's acquisition of MCS Group, which operates 10 dealerships in south-east England.

New car sales started buoyantly, but tailed off. The difficult market was exacerbated by an over-supply of cars. "There were a lot of vehicles being pushed into the market and there were not enough buyers around. We had to force prices down," said Mr Wood, echoing similar reports from Corwie, the motor and bus finance and distribution group which reported weak new car sales earlier in the week.

The division made 100 of its 1,500 employees redundant in an effort to cut costs.

Earnings per share rose to 34.1p (33.9p). A final dividend of 8p (6p) is recommended, giving a total of 12p.

The shares rose 16p to 599p.

COMMENT
The weakness in the motor division was as expected, and can hardly be blamed on Henlys. Having recovered in 1994 after making losses in 1991 and 1992, the group appears to have got its strategy right. Its efficiency gains in the bus and coach division are impressive.

and there is more to come. In the motor business, the group has taken steps to cut costs and limit its exposure to the volume-driven market. Still, if the division continues to deliver flat results, the group may reconsider its investment.

For the moment, its next challenge is to repeat its bus and coach performance outside the UK. On 1996 pre-tax profit forecasts of £33m, the shares are trading on a forward P/E of about 14, broadly level with the market. Whether or not the group switches sector, its shares may have a little more room for improvement.

Memory shares fall on chip fears

By Christopher Price
Shares in Memory Corporation fell 32 pence to 168p yesterday, making a cumulative decline of 55 per cent in the past four days, as the semiconductor group reported its first set of results amid concerns over declining microchip prices.

The sharp price fall forced the company to bring forward its results by a month. The shares, which were placed at 420p when the company joined the Alternative Investment Market in September, closed 107p down yesterday at 225p.

Pre-tax losses nearly doubled in the year to December 31, from £1.05m to £1.95m. The increase included a write-down on stock of £267,000 due to the decline in chip prices. However, the group, which was incorporated three years ago, recorded its first sales, turnover reaching £450,000, all made in the last quarter.

Mr Cameron McColl, chief executive, said the sharp fall in world chip prices had pushed back the time when the company would make profits. However, he expected to move into the black in the near future.

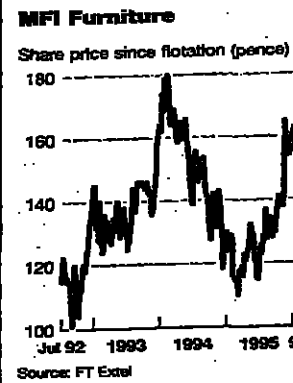
"We have moved from being a research and development company into a manufacturing company. We now have the opportunity to capitalise on the technology we have created by delivering volume products into the market place."

Losses per share widened from 2.11p to 3.31p.

COMMENT
The recent halving in the share price is being blamed on the equally dramatic dip in global chip prices. This will be little comfort for investors who paid 420p at flotation. Then the company, which had been in existence for just two and a half years and had no earnings, was capitalised at £254m. At yesterday's close, it had a market value of just £136m. While London may have lagged New York in reacting to the chip crisis, the scale of the fall in the shares raises questions over the company's valuation last September. It may also serve as a salutary warning, should it be needed, for those investors who put their faith and money into high-tech start-up situations. That said, Memory is fine to move into the black this year. The profit, however, will depend on volatile chip prices which could wreak further havoc and make another nonsense of analysts' forecasts. One for the brave.

NEWS DIGEST

Post-Christmas strength at MFI



Shares in MFI Furniture edged up 6p to 168p yesterday as the furniture retailer and manufacturer revealed signs of strong post-Christmas trading and promised benefits from softer raw material prices in 1996.

The company said sales had been some 5.5 per cent higher in the second half, due to particularly strong trading in the last 10 weeks.

Mr John Randall, managing director, said sales in the UK had, in general, been relatively dull before Christmas. However, during the winter sale - the company's most important trading period - it had shown a substantial improvement on the previous year. This resulted in an overall 2 per cent rise in UK sales in the second half, against a 1 per cent increase in average retail trading space.

Mr Randall also said raw material prices, which have increased by as much as 40 per cent in the last 18 months for products such as paper, were beginning to weaken. Contracts for raw materials were being signed at prices about 5 per cent lower. This, combined with a greater proportion of product being manufactured in-house, would benefit gross margins in 1996.

In France, MFI suffered from poor trading before Christmas, although it picked up substantially in January and February. Mr Randall said that, following the success of the winter sale, MFI planned to roll out its modernised Homeworks format to all 185 outlets during the next two to three years at an annual cost of about £20m. Homeworks outperformed the rest of the chain by some 12 per cent during the sale. The investment would be funded from cash flow, he said.

Peggy Hollinger

Enviromed to sell Pro-Care

By Motoko Rich
Enviromed, the biotechnology and diagnostics company, yesterday said it was selling Pro-Care, its dental equipment maker, to restore its balance sheet and guarantee the extension of bank facilities.

As it announced pre-tax losses of £8.2m - including exceptional charges of £5.5m - for the year to September 30, the group said it had accepted an offer to buy Enviromed from VDC, the Airedale animal healthcare products company, for £3.6m cash.

In addition, VDC would pay up to £7.5m, including the value of Pro-Care's net assets. VDC will also assume the trade creditor, finance lease and other liabilities of the business.

Enviromed said the disposal was "fundamental to the future of the company in light of the group's indebtedness". The sale is subject to a shareholder approval at an extraordinary meeting on March 18. The group added that its bank facilities had been granted "on the basis that the disposal becomes unconditional".

The news came after the market closed, with the shares unchanged at 26p.

The proceeds of the sale will be used to pay off a £2.6m bank loan from National Westminster, reduce group borrowings and provide working capital.

Mr Tom Murphy, managing director, said: "We do not expect to have any trouble if the Pro-Care sale is approved."

The losses were struck on sales more than tripled to £27.5m. The bulk of the rise, however, was derived from the acquisitions of Pro-Care and Cambridge Veterinary Sciences, which was sold to Vetoquinol, the French group, last December.

Losses per share were 33.7p, compared with earnings of 4.8p.

Go-Ahead hits out at MMC

By Geoff Dyer
Go-Ahead Group, the Gateshead-based bus group, hit out yesterday at the Monopolies and Mergers Commission, describing parts of a recent report as "absolute nonsense".

Mr Martin Ballinger, chief executive, said that the recent MMC decision clearing its acquisition of OK Motor Services in County Durham contradicted an earlier report into bus services in the north east which had criticised Go-Ahead.

The group was negotiating with the Office of Fair Trading over undertakings it had been required to give after the first report, some of which he claimed were "illegal and laughable".

His comments came as Go-Ahead announced a 63 per cent increase in interim pre-tax profits to £6.68m (£4.1m). Turnover in the six months to December 30 was £67.8m (£48.7m), up 39 per cent.

The rise in profits resulted from improved performances in the north-east and in London, where the group runs the Central franchise. However, margins at the Oxford business fell.

Mr Ballinger said that passenger numbers, which had been declining for more than 20 years, were rising in areas such as Brighton where local authorities encouraged the use of buses.

Mr Ballinger said that Go-Ahead was now interested in looking at railway passenger franchises.

The interim dividend is 1.85p (1.6p) payable from earnings of 12.65p (12.05p). The shares rose 12p to 305p.



Martin Ballinger: announced a 63 per cent rise in interim pre-tax profits to £6.68m

consider expansion, even if gearing of 213 per cent is high. But most attractive of all is the rating. With analysts forecasting full-year pre-tax profits of £13.2m and earnings of 26.5p, the shares are at a 20 per cent discount to the market - not very generous for a company forecast to increase earnings by over 50 per cent this year and which faces an outside chance of a takeover bid.

Go-Ahead has been the tortoise of the quoted bus sector. It has been slower to make acquisitions and its margins pale beside Stagecoach's. But investors can take a good deal of comfort from its approach. Its strategy is less risky than its competitors and lower margins mean greater room for improvement from existing operations. Also management attention is now free to con-

sider expansion, even if gearing of 213 per cent is high. But most attractive of all is the rating. With analysts forecasting full-year pre-tax profits of £13.2m and earnings of 26.5p, the shares are at a 20 per cent discount to the market - not very generous for a company forecast to increase earnings by over 50 per cent this year and which faces an outside chance of a takeover bid.

Kvaerner silent over Trafalgar bid

By Andrew Taylor, Construction Correspondent
Discussions on whether Kvaerner, the Norwegian engineering and shipbuilding group, will launch a formal bid for Trafalgar House are expected to continue over the weekend.

Kvaerner, which has expressed an interest in buying the UK engineering, construction and shipping conglomerate, declined to comment on its immediate plans, following a board meeting in Oslo yesterday.

Discussions have mostly taken place between SBC Warburg and Schroders, the financial advisers of Kvaerner and Trafalgar House.

Trafalgar House directors are understood to have indicated that they would be prepared to support a bid, provided this valued the group at no less than £900m. This would imply an offer of 50p to 55p for each ordinary share.

Some observers believe that Hongkong Land, Trafalgar's largest shareholder with 26 per cent, has become so disenchanted with the performance

of its investment that it might consider a lower offer.

Trafalgar shares last night closed 2 1/4p lower at 44 1/4p. Hongkong Land paid 73p a share when it first bought its stake in Trafalgar in 1992.

Kvaerner ruled out a hostile bid, following its failed £360m hostile offer in December for Amec, another UK engineering and construction group.

A marriage between Kvaerner and Trafalgar would create the world's largest offshore oil and gas fabrication business. Kvaerner would also want Trafalgar's John Brown and

Davy process engineering and construction subsidiaries which would fit neatly with its engineering interests, manufacturing equipment for the oil and gas, and pulp and paper industries. The Norwegian group, however, has made it clear it has no interest in retaining the Cunard shipping business.

If it makes a bid, it will need to be assured that it can find a buyer for Cunard and that there are no more large loss-making engineering and construction contracts hidden in Trafalgar's current order book.

Walking a high wire at Energis

Alan Cane on the choices facing the National Grid's telecoms arm

Energis, the telecommunications company owned by the National Grid, is likely to set up an alliance with an international partner within 12 months, according to Mr Mike Grabiner, its new managing director.

AT&T, the largest US operator, had an offer of £200m for a third of the business turned down in 1994. But Mr Grabiner says it is still a possible partner, adding: "The talks with AT&T never closed."

The creation of an international alliance is only one of a number of tactics he is pursuing as Energis moves to a critical stage of development.

The UK's third national carrier has been picking up a bad press of late. Last year there was the unexpected and seemingly acrimonious departure of managing director Mr David Dey, leaving Mr Gordon Owen, chairman, to soldier on in both roles.

There is the company's lack of visibility in the market and apparent lack of customers. And there are arguments that its stock-in-trade, the bulk transmission of telephone calls along its 3,500km of fibre optic cabling, has become a commodity business in a buyer's market.

Mr Grabiner, former director of international operations at British Telecommunications, admits he was initially concerned at the low profile: "Energis is quite a well-kept secret in the market," he says ruefully, pointing out that for a year before the National Grid was floated, the company was strictly constrained in what it could do or say.

"I do not think that Energis has fully moved from an implementation project - it spent £2.5bn in 18 months winding fibre round electricity cables - to a business."

"After eight weeks here, however, I can confirm that



Mike Grabiner: 'Energis is a well-kept secret in the market'

is Energis, however, simply one more long-distance carrier in an overcrowded market? If the situation were static, it would be tempting to agree. The telecoms business is changing rapidly, however, and to Energis's advantage with the advent of the information superhighway.

The Energis network, utilising high capacity fibre and a transmission technique called Synchronous Digital Hierarchy, designed to carry a mixture of voice, data and video, is well suited to advanced, interactive services of a kind that BT, for example, cannot offer nationwide.

Energis already provides nationwide carriage for the cable companies - Diamond, Telecable and Leicester - but there is scope, Mr Grabiner thinks, for a standard agreement with the cable industry as a whole.

It would give Energis access to the "local loop" - the connection to the home or office - and also benefit cable companies: "If we could get the appropriate arrangements with cable television companies, we could offer cost effective, interactive services that would allow them to differentiate their offerings and reduce churn." Churn is a measure of the proportion of customers leaving or excluded from the network.

In time, Energis intends to tackle the residential sector. A "black box" suitable for the home has been developed and there are plans for a service which would link homes and offices.

Mr Grabiner is determined to crack the business market first. In the first six months of the year the company lost more than £40m on revenues of £18.7m. It is not scheduled to move into profit until 1999 or 2000. Mr Grabiner believes the figures are already moving in the right direction.

Thomas Locker to enfranchise shares

By Simon Kuper
Thomas Locker, the engineer, is to enfranchise non-voting shares representing about two-thirds of its £20m market value.

The Locker family decided to issue the non-voting shares soon after the company went public in 1947 as a way of raising capital without losing control of the company. Thomas Locker said it was giving voting rights to those shareholders because they "share the same risk and rewards as the holders of ordinary shares".

Mr Peter Douglas, chairman, said "you could count on your fingers and toes" the number of listed companies that still had non-voting shares. Grandpierre, Liberty, the retailing and textiles group, and James Beattie, the department store operator, have all

enfranchised non-voting shares in the last two years.

The company will compensate voting shareholders through a 3-for-10 scrip issue which will create 5,698 shares to add to the 74,500 in circulation. This will dilute earnings per share by about 7.5 per cent and raise the cost of maintaining last year's dividend.

A foreign income dividend of 0.3p (0.2p) was paid for the six months to last September 30, from earnings per share of 1.09p (0.15p). Half-year pre-tax profits were £748,000 on turnover of £16.5m.

Shareholders are expected to approve the move on March 26. Mr John Carr, a private investor who held 22.6 per cent of the shares and rejected the scrip offer as too low, sold his stake in January. He had criticised the £7.5m acquisition of Peatre in December, which he said was overvalued.

Dawsongroup in £7.3m purchase

Dawsongroup, the Milton Keynes-based asset rental company, has disposed of DFC, its Volvo truck distributorship business, together with two related properties, to Volvo Truck and Bus for £7.3m.

This is represented by £3.92m

cash for the shares and properties and £3.4m by way of repayment of an intra-group loan. Net assets disposed of amounted to £9.95m as at December 31 1995 and the relevant pre-tax profits for 1995 were £773,000 (£389,000).

Setback for Formscan

Formscan, the distributor of IT-related document production and capture peripherals and one of the original entrants to the AIm in June 1995, yesterday reported a 11 per cent downturn in first-half profits.

The shares, which had risen from 60p to 193p during the past year, retreated 22p to 158p yesterday.

Nevertheless, Mr Allan Harle, chairman, described the outcome - pre-tax profits for the six months to January 31 dipped from £577,017 to £511,845 - as "satisfactory" with strong levels of business in both its OCR and integrity divisions.

Capital & West to join Aim

Capital & Western Estates, a residential property company formed under the business expansion scheme, has been admitted to the Aim.

The company, which recently bought two properties in London for £1.5m, plans a further purchase after dealings begin, probably on March 6. Part consideration for the further deal will be made by offering one share per 2.5p of the purchase price, representing a premium of 48 per cent over the net asset value of 1.68p a share.

In Brief

■ BARCLAYS BANK: Mr Alastair Robinson is to retire as vice chairman on May 5 following the annual meeting after 37 years with the bank. He joined the board in 1990 and became vice-chairman in May 1992. He was regarded as one of the old guard after the management changes in 1994.

■ JURYS HOTEL Group plans to establish a 190-room Jurys Inn in central Belfast at a cost of £9.4m. It is intended to open in May 1997. Construction will be assisted by a grant from the Northern Ireland Tourist Board.

RESULTS

Company	Turnover (£m)	Pre-tax profit (£m)	EPS (p)	Current dividend (p)	Date of payment	Dividends corresponding to previous period	Total for year	Total for year
Braline (FF & JF)	8.7 (8.4)	0.57 (0.7)	24.86 (31.06)	5.9	Apr 29	7.2	8.8	8.8
Enviromed	27.5 (25.2)	0.21 (0.4)	33.77 (49.3*)	nil	1.4	nil	1.6	1.6
Formscan	2.53 (2.3)	0.512 (0.577)	4 (4.8)	1.85	Apr 25	1.8	4.8	4.8
Go-Ahead	67.8 (48.7)	6.68 (4.1)	12.65 (12.05)	1.85	Apr 10	1.8	12	12
Henlys	451.6 (389.9)	25.3 (18.1*)	34.1 (33.9)	8	Apr 10	8	12	12
Memory	0.45 (-)	1.95 (0.5)	3.31 (2.11)	0.047	Jun 22	0.047	0.22	0.22
Paragon	3.7 (2.03)	0.414 (0.385)	0.281 (0.28)	0.047	May 7	0.047	0.22	0.22
Spangley	7.28 (6.02)	0.022 (0.121)	4.43 (4.2)	2.25	Apr 25	2.25	4.8	4.8
Specialist	21.8 (20.4)	7.84 (7.78)	33.45 (30.8)	0.75	Apr 25	0.75	0.75	0.75
UK Estates	2.48 (2.09)	0.112 (0.531)	0.11 (0.88)	0.1	Apr 16	0.1	0.25	0.25

Company	NAV (£m)	Attributable earnings (£m)	EPS (p)	Current dividend (p)	Date of payment	Total for year	Total for year	
Equ	77.6 (67.7)	0.195 (0.02)	0.66 (0.07)	5.9	May 3	4.3	0.5	0.5
Second Market	525.7 (466.4)	0.905 (0.437)	8.48 (4.17)	5.9	May 3	4.3	0.5	0.5

Earnings shown basic. Dividends shown net. Figures in brackets are for corresponding period. *Revised. †After exceptional charge. ‡After exceptional credit. †0m increased capital. ‡AIM stock. †USM stock. †Cross Income.

COMMENT & ANALYSIS

FINANCIAL TIMES

Number One Southwark Bridge, London SE1 9HL
Tel: +44 171-873 3000 Telex: 922186 Fax: +44 171-407 5700
Saturday March 2 1996

Place your bets, please

Investors are more or less agreed that further UK interest rate cuts are in the pipeline - possibly next week. But that is where the consensus ends. As usual, where you stand on the medium-term outlook for the economy depends largely on where you sit.

If you are an investor in sterling futures, you believe that interest rates will fall over the next few months, but that this will be reversed by year end as demand stages a sprightly comeback. The market is now predicting base rates of 6 per cent by the summer, down from their present 8½ per cent, but the same investors are expecting rates to be back at 8½ per cent by December.

Much of this story looks plausible. The February survey of UK purchasing managers, released yesterday, indicated that last year's slowdown in economic activity has continued into the new year. The survey found that the manufacturing sector contracted slightly last month, for the first time in more than three years.

In a sense, these figures merely confirmed what many had already concluded from the fourth-quarter figures for GDP. Growth in output during the first half of the year was always going to be heavily influenced by manufacturers' attempts to off-load excess inventories left over from last year.

Official data on inventories levels are somewhat unreliable, but stocks in manufacturing are thought to have risen by nearly 6 per cent over the past 18 months, compared to a rise in output of just 1 per cent. This suggests that producers' attempts to cut down on output so as to bring their stock ratios back into line are likely to depress overall economic growth for some months.

Underlying strength

Support for the second, more optimistic, stage of the market prediction comes from the underlying strength of consumer demand, particularly in the service sector, which was little affected by last year's pause in the growth rate.

Consumer spending has grown at a sprightly 3 per cent annual rate since the second quarter of 1995. Indeed, a pick-up in the growth of the broad measure of the money supply is already sounding some alarm bells at the Bank of England. The latest figures, showed M4 growing at an annualised rate of 13.4 per cent in the three months to January, up from 7.3 per cent in October.

Windfall gains from maturing tax-exempt savings accounts, building society reorganisations

and other "one-offs" ought to boost spending further over the next few months. Once the stock adjustment is complete, domestic consumers could propel the economy back to above-trend growth rates, even if demand on the continent continues to disappoint.

The fact that interest rates are likely to fall further provides another reason to be optimistic about growth in the second half of the year. Mr Kenneth Clarke, the chancellor, has cultivated a reputation for prudence, but another, modest interest rate cut would not necessarily endanger the government's inflation target. Indeed, the recent spate of sober manufacturing data suggest that such a reduction might be worthwhile - as long as he does not hesitate to raise them again if and when price pressures start to reappear.

Rising expectations

Gilt investors appear to agree with everything in the story but the punchline: the yield on 10-year government bonds has risen by around half a percentage point in the past month, in line with bond markets around the world. Some of the rise was reversed yesterday in response to rising expectations of lower short-term rates.

Yet, to judge by the yield on index-linked bonds a large part of the rise in bond yields - perhaps one third of a percentage point - reflected higher expectations of future inflation. Inflation is now expected to average roughly 4½ per cent over the 10 years, compared to less than 4 per cent four weeks ago. This implies that investors have some faith in the UK authorities' ability to restart the economy; what they doubt is the government's determination to stop it overheating in the lead-up to a general election.

But not everyone is agreed that the UK is poised for a sprightly resumption in domestic demand - at least, not one worth writing home about. The PMI reported that demand for investment goods "remains patchy and generally in decline".

Companies may be hoping to consolidate their position - and jack up prices - when the economy picks up again, but they are not investing in large amounts to extra capacity to meet higher demand. This hesitancy to invest could make it more difficult to restrain inflation once growth resumes, and harder still to keep the current account deficit under control. Both, in turn, would call for a response from Mr Clarke, in the form of higher interest rates, before the year is up - but do not lay too much money on him responding.

Shadow over Mandela's smile

High unemployment and crime are among the many challenges still facing post-apartheid South Africa, says Roger Matthews

In three years or less Mr Nelson Mandela will step down as president of South Africa, and he has narrowed his agenda to a single item. "I will pass through this world but once, and I do not wish to divert my attention from my task, which is to unite the nation," he said last week.

Speaking to cheering students at the traditionally conservative Afrikaner University of Potchefstroom he went on: "I am writing my own testament because I am nearing my end. I want to be able to sleep at night with a broad smile on my face knowing that the youth, opinion-makers and everybody is stretching across the divide, trying to unite the nation."

Although Mr Mandela has already achieved far more than might have been expected when he became president in May 1994, unemployment, crime and the attempt to come to terms with the conflicts of the apartheid past will for a long time threaten to undermine his achievements.

Some of the ugliest incidents from that past will be resurrected on Monday when General Magnus Malan, the former defence minister, and 19 others, including former senior army officers, go on trial in Durban. They face a battery of charges including murder, attempted murder, and conspiracy to murder, linked to the killings of 13 people, and other actions allegedly carried out by a 200-strong paramilitary unit which operated between 1986 and 1989 in the province of KwaZulu-Natal.

Gen Malan, who describes himself as "a moderate, a liberal and a Christian" said after being charged: "What has happened here is the biggest crime in South African democracy. It is now in its darkest hour."

Other South Africans also believe they are passing through dark hours, including the white parents of children at a primary school in Potgietersrus, 150km from Pretoria, who have removed their offspring from the building rather than allow them to attend classes with blacks.

Mrs Karen du Plessis, who heads the white parent group, admitted their action was disruptive for the children. "But it is for the sake of Afrikaans for generations to come," she said. "If we do not take a stand, Afrikaans [the language] will be wiped out in two years."

Archbishop Desmond Tutu, who argues for reconciliation almost as vigorously as Mr Mandela, is also about to start delving into the past as head of the Truth Commission, which over the next two years will investigate the worst human rights abuses of the last three decades, and grant amnesties to those who confess all.

The archbishop, who now has a 24-hour bodyguard, believes the process is vital if still-open wounds are to be healed. "The nation must acknowledge and understand what has happened," he says. "The survivors and the victims must be allowed to tell their stories. If we succeed in this work the repercussions will be considerable. But if we fail, the consequences will be too



Faces of South Africa: black and white pupils at Potgietersrus school a day after it was desegregated; General Magnus Malan, who goes on trial on Monday; and President Mandela poses with the national football team

ghastly to contemplate." General Constand Viljoen, former army commander who heads the Freedom Front, the dominant Afrikaner political party, says he also believes in reconciliation, but thinks there should be a general amnesty covering abuses of the past, not a case-by-case examination. "I do not believe we will have reconciliation through the Truth Commission. Instead it will provoke retribution. It might even become a witchhunt."

The best testament to Mr Mandela's skill in striking a balance between such strongly opposed attitudes is that they have become the exception. The overwhelming majority of schools, for example, have integrated. But as the euphoria generated by the relative smoothness of the transition from apartheid slowly evaporates, so more and more South Africans begin to understand the scale of the challenges ahead. There is a consensus

that the two primary issues are unemployment and crime. South Africa is a world leader in both. Unemployment is put officially at 4.7m, or 33 per cent of the workforce. A report issued on Thursday by the South Africa Foundation, which groups the biggest 50 companies and 10 multinationals, estimates that if the economy continues to grow at its present rate of just over 3 per cent, unemployment will rise to 6.7m by 2000, or 37.4 per cent of the workforce, and top 40 per cent four years later.

The report notes that two out of five South Africans, about 17m people, live in poverty. At present economic growth rates this number will increase steadily. "This state of affairs is morally repugnant and is a profoundly destabilising force in society," says the report. Just how destabilising was illustrated last month when gunmen opened fire on a crowd of over 2,000 queuing for

jobs at 3am outside a factory near Johannesburg. Eight people were killed and 23 wounded. The motivation appears to have been management plans to introduce a third shift, which would have curtailed overtime earnings.

The police, demoralised and underpaid, are struggling to cope with the increase in crime. Senior officers in Gauteng province, which includes Johannesburg and Pretoria, say they are short of 12,000 men, equivalent to half their present strength. Nationally, police say last year's budget represented a real cut of 4 per cent.

In the affluent, mainly white suburbs of northern Johannesburg, most residents subscribe to private armed reaction units, and are increasingly applying to close roads and build walls round entire districts to combat burglaries and car hijackings by armed groups. The chairman of a residents' group at

Hurlingham says 68 vehicles were hijacked there last year, but not one since access was limited to a single point controlled by armed guards. But such solutions only push crime into other areas, and are not available to the black majority, already the primary victims.

Opening parliament last month, Mr Mandela called for a "new patriotism" and a "national vision" to lift the country "from the quagmire of crime and unemployment". Ministers, party leaders, captains of industry, trade unionists, and radicals of all persuasions, applauded his words. There is also broad agreement on what the national targets should be.

Mr Thabo Mbeki, the deputy president and heir-apparent to Mr Mandela, said this week the government's aim was sustained annual growth of 6 per cent and the creation of 500,000 jobs a year by 2000. The main employers' organisations concur. What separates them is how these goals should be achieved.

The South Africa Foundation wants a rapid reduction in crime, swift easing of exchange controls, rapid privatisation, drastic cuts in the budget deficit, flexible labour markets, a reformed tax structure and a vigorous export drive. While praising the "wonderful job of reconciliation" done by Mr Mandela, it fears that in almost every sector the government is moving too slowly, or - in the case of the new Labour Relations Act which gives workers a bigger say in company policy - heading in the wrong direction.

Such is the respect accorded to Mr Mandela that chief executives will not speak out more forcefully against his government's policies. "He is such a fine man, and has done so much to reconcile this country, that you can't just come out and say he's wrong," says one chief executive. "But if you want to create jobs, you do not pass the sort of new labour legislation that we will have to work under." Similar reticence applies to the issue of exchange controls following the weakening of the rand. In public, chairmen and chief executives call for a swift easing, in private for total, immediate abolition.

They argue that the African National Congress has perhaps 18 months in which to act decisively on a range of issues before the political pressures of the next general election in 1999 begin to intrude. But the ANC, and its communist and union allies, cover a broad political spectrum and remain committed to consultation and consensus-building. The risk, therefore, remains that the government, proud of its record so far, will not be hurried into more radical action until the need is even more apparent.

It is then, perhaps, that the gloves will come off in the economic debate. But at least the participants start with the knowledge that strong economic growth and millions of new jobs are essential for the long-term success of Mr Mandela's mission, and the breadth of his eternal smile.

LETTERS TO THE EDITOR

Number One Southwark Bridge, London SE1 9HL

We are keen to encourage letters from readers around the world. Letters may be faxed to +44 171-873 5938 (please set fax to "fax"). e-mail: letters.editor@ft.com Translation may be available for letters written in the main international languages.

Competitive trade-off that may run out of time

From Mr Iain Wylie.

Sir, Ronald Dore's analysis of the western, particularly Anglo-Saxon, competitive model versus the Japanese one is timely (Letters, February 23). The totally open market concept avoids the need for an intelligent, responsible approach to acceptable social equity.

Continental European countries developed their own, initially successful, post-war model, but this has now become cumbersome, bureaucratic and costly, limiting

their international competitiveness. Japan has a dilemma. Its aggressive international competitiveness has produced a western, particularly US, reaction aimed at changing its home market structure.

As anyone who has worked there knows, the Japanese domestic market is one of the most ruthlessly competitive in the world. However, it is constrained by balancing regulatory mechanisms and cultural factors that do not produce the lowest cost goods and services,

but maintain social cohesion, with visible benefits.

It is far from a perfect system, but involves a trade-off that a growing western public opinion seems to find preferable to the social extremes, coupled with alienation, found in the US, and increasingly in Europe.

The Japanese know that increasing "liberalisation" is likely to break the social consensus, but are under strong pressure to change if their trading relations are to be

maintained, and their younger population satisfied. They are struggling to define a balance. The question is, can they prolong this process long enough to see a pendulum swing, as Ronald Dore asks, to a changing western consensus.

Iain Wylie,
31 High Point,
Firn Road,
Hitchin,
Herts SG6 2BR, UK

Priority must be given to skills

From Mr Bruce Lloyd.

Sir, Pamela Meadows' Personal View ("When growth fails the unemployed", February 27) provided some valuable arguments to help reduce unemployment but a fourth option is likely to be more effective all round. This option is to focus on the skill development (both competence and commitment) of those concerned. Unemployment rates are much greater among those individuals without skills than those with them, and this gap is likely to increase in the years ahead.

By providing support that ensures improved long-term employment prospects (ie, where the real added value is greater than the cost) there are not only real benefits for the individuals concerned but this also benefits the existing work force, rather than adding potential costs reflected in the other options.

Bruce Lloyd,
strategic and international
management,
South Bank University,
103 Borough Road,
London SE1 0AA, UK

Not deserving of such denigration

From Mr David Paul.

Sir, Why this constant denigration of our public services? No-one would guess from your leader on the Channel Tunnel link ("Slow crawl to the fast link", March 1) that British Rail InterCity has for more than 20 years operated Europe's most extensive high speed train services, becoming a model for other railway administrations.

Neither would anyone guess that, even today, InterCity services serve more towns with more frequency at higher average speeds than any other European railway system.

So why the constant sniping?

David Paul,
5 Aldermary Road,
Bromley,
Kent, UK

A welcome for children in Paris

From Mr Peter Hammett.

Sir, Ms Katherine Rozel (Letters, February 29) and I apparently frequent different parts of Paris or maybe have different expectations. After the experience of "no children" in many English pubs, their ready acceptance in most French cafes and brasseries is always pleasing me. Of course, if you choose restaurants with Michelin stars, the situation changes... but it is an awfully expensive way to feed children!

Everyone seems to have forgotten the key pleasures of McDonald's for young children:

- 1) They get to eat with their fingers without being told off.
- 2) They get a silly free present that they can break and/or lose without parental disapproval.

All this and chips to boot! What more can a five-year-old want?

Peter Hammett
2, Square Maurice Denis,
92190 Meudon, France

Danger of the IT 'power users'

From Mr Paul Offord.

Sir, I found Vanessa Houlder's article "The changing face of corporate IT" (February 26) very interesting. The rise of the "power user" is bringing with it some dangers. "Power users" have the knowledge to build systems, but that is only part of the story. A large portion of IT department work consists of mundane tasks driven by procedures. Failure to carry them out endangers the integrity of corporate data and hence will

create commercial risks. If you accept that the time invested will probably be lost if the user leaves, there is scope for "power users" to create their own reporting and inquiry applications. I just would not trust them to look after the data.

Paul Offord
managing director
Advance Seven,
Bastler House, High Street
Great Dunmow, Essex, UK

The Financial Times plans to publish a Survey on

Insurance

on Wednesday, March 27

Timed to coincide with the Airmic conference, this survey will provide a global review of the world's insurance markets, including a feature on developments at Lloyds of London. We also plan to explore the dramatic effects that new technology will have on the marketplace.

To obtain a copy of the editorial synopsis and to discuss advertising, please contact:

William MacLeod

Tel: +44 (0) 171 873 3688

Fax: +44 (0) 171 873 4296

FT Surveys

مکان من الاصل

Men in the News • Henry and Simon Keswick

Taipans who missed the boat

Simon Davies and John Ridding on the brothers at the top of Jardine Matheson

For Henry and Simon Keswick, the struggle to expand the presence in the west of Jardine Matheson, Hong Kong's oldest trading group, has proved to be a troublesome experience.

Since the 1970s the two men have made a series of failed attempts to build a business empire outside Hong Kong to protect Jardine if things should go wrong when the UK colony reverts to Chinese sovereignty next year.

This week it emerged that they had been no more successful with their latest attempt - a \$300m investment in Trafalgar House, the UK construction, engineering and shipping conglomerate. Jardine appears ready to take a loss of about \$100m by selling its stake to Kraemer, the Norwegian engineering and shipping group.

"It is a paradox," says Simon Murray, Deutsche Bank's group chief executive for the Asia-Pacific region. "They have moved from Hong Kong to reduce risks, but have ended up increasing them."

The investment in Trafalgar was small by Jardine's standards, but was to have been a launch pad for the group to expand in the UK. Simon Keswick was brought in as chairman, swiftly followed by Hong Kong Land's finance director, David Gower, and then Nigel Rich, former Jardine Matheson managing director.

However, the strategy quickly began to unravel when Trafalgar attempted to acquire Northern Electric, the UK utility, in a £1.1bn hostile bid launched in December 1994. The bid was prolonged when the electricity regulator decided to reopen the pricing controls for the industry and problems began at Trafalgar. These included difficulties at Cumard, the shipping line, and mounting losses in parts of its engineering division.

Since Jardine's property arm, Hongkong Land, first started building up its 26 per cent stake in October 1992, £1.62bn of Trafalgar's net assets have evaporated, through a proliferation of provisions, rationalisations and operating losses.

The decision whether to sell Trafalgar at a loss will be made in Jardine's headquarters in the City, in surroundings more akin to an old-fashioned club than a corporate nerve-centre. In addition to Henry and Simon, the decision-making core includes Rodney Leach, the former Rothschild's banker, and Sir Charles Powell, foreign affairs adviser to Lady Thatcher

when she was prime minister.

Simon is the youngest son of Sir William Keswick, a former director of the Bank of England. A director of Jardine Matheson, he is the more sociable of the two, the man sent in to sort out businesses when they go wrong. It was Simon who returned to Hong Kong in 1982 to sort out the group after collapsing property prices and rising interest rates brought Hongkong Land close to collapse.

Henry, the eldest son and Jardine chairman, is described by insiders as the strategist who sets the direction for the group. One former colleague says he is "like a 19th-century grandee" in the tradition of the taipans who headed the colony's family-controlled trading companies.

Born in Shanghai in 1938, Henry can remember the takeover of Jardine's Chinese businesses by the communists in 1949. It has clearly left a mark on him: giving evidence to a Commons committee in 1989, he referred to China's regime as "Marxist-Leninist, thuggish, oppressive".

Jardine was once the partner of choice for any large

project in the colony, with immaculate connections in Britain and expatriate Hong Kong. Its fingers were in most of the territory's more lucrative pies, from Hongkong Telecommunications and Hongkong Electric to a diverse property portfolio. But for the past 25 years Henry's aim has been to reduce the group's exposure in the colony. This has accelerated in the lead-up to the Chinese takeover.

Under his guidance, its holdings there fell to only 30 per cent of its assets during the early 1970s. But acquisitions abroad proved unrewarding. In the late 1980s, for example, Jardine acquired Kwik Save, the UK discount grocer, which has subsequently underperformed the UK market by 30 per cent, and Simago, the Spanish retailer which has turned in five years of losses. In 1991, Jardine agreed to pay \$60m compensation to the shareholders of Bear Stearns, the US investment bank, after pulling out of buying a stake after the 1987 worldwide market crash.

By 1994, Hong Kong still accounted for 56 per cent of the group's profits.

At the same time, the group pursued a policy described as getting a foreign passport, just in case things went wrong in Hong Kong after 1997. In 1994, it moved domicile to Bermuda, provoking a massive sell-off in the Hong Kong stock market. In January 1995 it delisted its shares in Hong Kong.

However, there has been a political cost to this. The Chinese authorities started harping back to Jardine's optimum trading history, and accused Jardine of trying to undermine stability in Hong Kong.

When a Jardine-led consortium won the right to develop Hong Kong's ninth container terminal in late 1992, it was blocked by Beijing. By contrast, Citic Pacific, the Beijing-backed investment group, has built up a broad-based portfolio in the past five years, trading on its Chinese connections. Recently, Jardine's operational managers have been more enthusiastic about China, and it operates a rapidly growing number of joint ventures in China. The group's directors have become frequent visitors to Beijing. And Jardine recently sig-

nalled greater confidence in the territory by making its first bid in more than a decade for land at a government auction. The Keswick brothers have been wooing those who are likely to be power-brokers after the 1997 handover - they recently lunched with Mr Zhou Nan, China's quasi-ambassador to Hong Kong.

It seems to be paying off. Beijing seems likely to lift its veto on Jardine's investment in the port. And the company recently formed a consortium to develop and operate a river trade terminal with partners that include Mr Li Ka-shing's Hutchison Whampoa, and Cosco Pacific, the Hong Kong arm of China's largest shipping group.

It is perhaps fortunate for the Keswicks that they have never really had to account to their shareholders for the group's ups and downs. Henry is said to refer to Jardine as "my company", although the Keswick family controls only 10 per cent of the equity. And while Jardine has pounced on mismanaged businesses such as Trafalgar, its own management is protected by complex cross-shareholdings between group companies.

As one senior Hong Kong executive says: "If the Keswicks had been as skilful at running their businesses as they have been at protecting the family interests, Jardine would be one of the world's great companies."



Robert Corzine on the threat posed by the BP/Mobil merger

When garages fail to make the grade

Motorists who collect oil company stickers will need to get into gear if they are to complete their collections - because some famous names on Europe's forecourts may soon disappear.

This week British Petroleum and Mobil, the second largest US oil company, announced an ambitious merger of their refining, marketing and lubricants assets across Europe. The aim is to cut costs in businesses where profit margins have been shrinking steadily.

For the public the most noticeable result of the merger will be the disappearance of 3,600 Mobil service stations across Europe. Over the next two years most of them will be redecorated in BP's green and yellow livery at a cost of about £200m.

But for the European oil industry, the planned partnership is more than just a commercial alliance: it is an omen of even more radical restructuring to come. "It can only speed up the inevitable shakeout," said one industry expert this week. And it is a shakeout that many in the industry believe could end in the disappearance of some famous names.

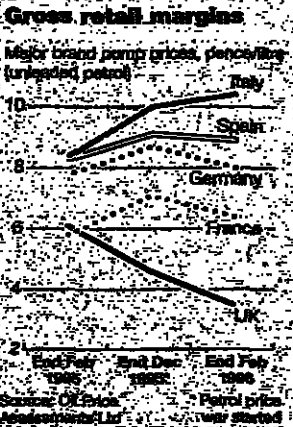
"We are seeing naked capitalism at work," says Mr Bruce Petter, head of the UK Petrol Retailers' Association, a trade group for independent petrol station owners/operators. In recent weeks service station operators across the UK have seen their margins pared back to some of the lowest levels ever experienced by the industry. The reason is the Price Watch campaign launched by Esso, the European subsidiary of Exxon, the US oil giant, in which it promises to match the lowest prices around its stations.

"Nowhere in Europe have margins ever been as bad as in the UK," says one industry expert.

Some oil company executives, including Sir David Simon, BP chairman, believe Esso's campaign is no different from many previous price cutting exercises launched by various oil companies including BP. But others are not so sure: Esso is "trying to force massive change on a scale never before experienced in western Europe", says one executive who monitors prices and trends across Europe.

The fact that BP and Mobil, two of the more efficient international oil companies, have joined forces is an indication that competition, which is already fierce, promises to get tougher. The partnership will create the second largest oil retailing company in Europe, with a 12 per cent share of the market. That places it just behind Royal Dutch Shell and ahead of Exxon.

Other companies in the industry which have survived for decades are now "thinking the unthinkable", according to Mr Petter, and considering withdrawal from the market. The reason is that the oil companies in Europe operate too



many refineries producing too much petrol for markets which are no longer expanding. New cars become more fuel efficient by the year, while the high taxes imposed by European governments encourage carmakers to make their new models even more thrifty to operate.

The petrol surplus has reduced profit margins to the point where most service station operators now make most of their money from selling food and other household goods and ancillary services, such as car washes.

However, supermarket chains such as Tesco, J. Sainsbury, Asda and Safeway have also entered the petrol retailing market, drawn by plentiful supplies of cheap petrol available from oil company refineries. Attaching service stations offering cut-price petrol to new supermarkets has proved a good way of attracting customers to out-of-town sites.

Five years ago the 18 or so large oil companies operating in Britain shared 90 per cent of a growing market. Today they are fighting over 70 per cent of a stagnant one - and the supermarkets are still adding service stations to their chains. Meanwhile, petrol sales might even fall as a result of the government's plan to make sharp annual increases in excise duty on fuel.

"There are now just too many oil majors" for the new type of market, says one industry executive. He believes the solution is consolidation - with the handful of big companies which are committed to the retail market, such as Esso, Shell and BP, taking over their smaller competitors. "It's no good if a company from Saudi Arabia or Abu Dhabi comes into the market and buys a struggling chain," he says.

"There might only be three of four survivors among the oil majors," says Mr Petter. "Of the 68 different brand names now in the UK market, 58 could go." Many independent corner petrol stations face an uncertain future as the value of their service station sites plummets. Mr Petter believes 4,000 of almost 16,000 service station sites could shut in the next few years.

It is thus not only the brand names that may disappear. In many rural areas, the local service station could soon be a thing of the past.

Opinion polls suggest Spain will vote for change in Sunday's election, says David White

An exhibition of democracy



Power struggle: José María Aznar, Popular party leader (pictured left), and Felipe González, Socialist prime minister



Power struggle: José María Aznar, Popular party leader (pictured left), and Felipe González, Socialist prime minister

It was too tempting a headline opportunity to miss. The very conservative Spanish daily ABC was moved to comment the other day on the prime minister's appearance at Madrid's Reina Sofía modern art museum. It was a rare event. Mr Felipe González is not the kind of politician given to visiting exhibitions, attending football matches, or cutting ribbons. But that was not the point of the headline. "González in the museum," it said.

This is the cherished wish which the Spanish right expects to be fulfilled in tomorrow's general election: conservatives hope the country will put behind it more than 13 years under the spell of the Socialist leader's personality.

The election will be a landmark in the European Union's most recent democracy. Only once in the past 80 years has power been transferred from one elected party to another, and that was when Mr González won his first landslide victory in 1982.

If the opinion polls are right, Spain is indeed about to turn the page on Mr González. He led Spain into the EU and through a period of rapid economic growth in the late 1980s, but will also be associated with unprecedented unemployment and the bad odour attached to recent scandals over corruption and abuse of power.

The centre-right Popular party and its ever more confident leader Mr José María Aznar have been demanding their turn in government with almost indecent impatience. They resented Mr González's refusal to call early elections until he was forced to do so.

One of the more interesting polls, in the Barcelona newspaper La Vanguardia, asked people their main motive for saying they would vote for the Popular party. The biggest proportion, more than a third, said it was "for a change in government". A smaller number cited ideological reasons, and barely

5 per cent based their choice on the party's political and economic programme.

Neither of the main parties has offered much to inspire voters. With rare exceptions, it has been an unending, low-level campaign. Any serious discussion of manifesto issues - job creation, the pace of economic liberalisation, prospects for tax cuts, relations between Madrid and the regions - has taken second place to mutual denigration. If Mr González loses, it will be because enough Spaniards think it is time he lost - and because Mr Aznar's party has succeeded. In persuading middle-of-the-road voters that it is a forward-looking alternative, not a returning ghost of the old Spanish right.

The elections are also about generations. The Socialists, led by people in their late 30s and

early 40s when they came to power, have failed to renew their party. The beards have greyed. Their strongest vote is now among the old, who like their safe pensions and have the longest memories. The Popular party leadership is 10 years younger, and has more appeal among youth.

Tomorrow, people born after Franco's death in 1975 will for the first time vote in a general election. Mr Aznar did not enter politics until democracy was already installed and Mr González was leader of the opposition.

But Mr González, about to turn 54, is not yet ready to be placed in a glass showcase. He has campaigned hard and appears to have enjoyed himself. In the past, coming back from the dead has been almost his party trick. He did it in 1979, when he briefly quit the

Socialist leadership to force the party to jettison Marxism. Ten years ago he almost brought about his own demise by holding a referendum on Nato. In the last election in 1993, he was expected to lose and won by almost 1m votes.

Opinion polls last weekend showed the Socialists trailing up to 11 points behind the Popular party. Mr González might narrow the gap by picking up voters who were previously undecided or tempted to opt for the Communists, but senior Socialists fear the party is in decline and that any recovery will be too late.

Last time, the Socialists managed to win in a recession. This time, they stand to lose when the economy is looking relatively good, with prospects for sustained non-inflationary growth. Mr González, his reputation somewhat restored by

Spain's successful stint in the EU presidency in the second half of last year, wants at least to lose well.

He could still spoil Mr Aznar's day if the Popular party fails to obtain an outright majority, or a comfortable lead over other possible combinations of forces in parliament. Its only viable partners would be regionalist parties, but its touchy relations with the main Catalan and Basque parties have worsened during the election campaign.

In any case, there is no record of coalition government at national level since the ill-fated republic of the 1930s. The Basque region is the only place where coalitions have worked.

The most plausible outcomes of the election, therefore, are a clear Popular party victory, or a bit of a mess. The third

party, expected to consolidate its position, is the United Left, led by the communist Mr Julio Anguita. He says he will vote against a Popular government. On the other hand, the Socialists are not prepared to strike a deal with the United Left as long as the fiery Mr Anguita is in charge.

Mr Aznar argues that Spain's proportional representation system, which is weighted in favour of the larger parties, is designed to produce stable majority governments.

But in the six general elections so far, only three have produced an outright majority - the first three Socialist legislatures. And the disappearance of the Democratic Centre Union, the centrist party that guided Spain through the first steps of its restored democracy, has created an anomaly that will only end with a change since 1982. Spain has had a governing party with experience of opposition, but not an opposition with experience of government.

If the Popular party fulfils expectations tomorrow, this missing link in Spain's transition to democracy will be completed. The sense that there is still unfinished business in the transition pervades the campaign. The word "democracy" itself is bandied about with a frequency that would seem unnatural in most countries.

Mr Aznar depicts his expected victory as an act of "democratic hygiene". Certainly, the recent scandals have brought the political system into disrepute. A recent European Commission survey showed only 36 per cent of Spaniards satisfied with the workings of their democracy, the lowest figure in the EU apart from Italy.

One Socialist minister compares this to an adolescent phase. The country got its democratic constitution just over 17 years ago. "It's the age when you get spots," he says. From next week Spain should start to grow out of it.

The four-gun family in their sights

US gunmakers are on the offensive, says Richard Tomkins

At the John Jovino Gun Shop, deep in the heart of New York's Chinatown, the counter is stacked with revolvers and pistols. Smith & Wesson, Colt, Beretta, Browning - all the big names are there. The only thing missing is the customers.

Mr Frank Ingrassia, the store's manager, says sales have tumbled by between 30 per cent and 40 per cent over the past year or so. A man inclined to understatement, he remarks: "The atmosphere for sales is not good."

Figures for the whole of the US are not yet available, but gun sales have undoubtedly fallen. Earlier this month the attorney-general of California reported that gun purchases had plummeted by 31 per cent within the state last year. Manufacturers say that probably reflects the rate of decline elsewhere.

Statistics like these should have anti-gun campaigners crowing with triumph. But while the gun-control lobby has scored some recent successes in Congress, it has not broken America's love affair with the gun. The real explanation for the sales decline is rather more prosaic: the market is suffering from a glut.

The trouble with guns, at least from the makers' point of view, is that they do not need replacing every once in a while like other consumer durables. Guns last for decades, and seldom get thrown away.

According to the Bureau of Alcohol, Tobacco and Firearms, 223m guns

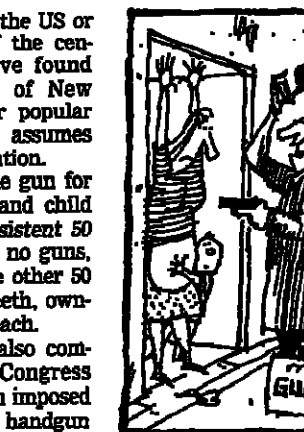
have been manufactured in the US or imported since the turn of the century. While some may have found their way to the bottom of New York's East River or other popular disposal points, the bureau assumes that most are still in circulation.

On that basis, there is one gun for nearly every man, woman and child in the US. But a fairly consistent 50 per cent of households own no guns, with no desire to do so. The other 50 per cent are armed to the teeth, owning an average of 4.5 guns each.

Many of these guns are also comparatively new. In 1993, Congress passed the Brady Law, which imposed a five-day waiting period on handgun purchases. The following year it limited magazine capacity to a maximum of 10 rounds and banned 19 types of assault weapons. Ahead of those moves, there was a frenzy of buying as Americans rushed to beat the legislation: the number of guns made in the US jumped from 3m in 1992 to 5.1m in 1993.

"Are we at saturation point? It's certainly something the industry ponders," says Mr Paul Jannuzzo, vice-president and general counsel for the US arm of Glock, the Austrian gun manufacturer.

Mr Jannuzzo says gun manufacturers worry about the growing number of single-parent families "because grandpa or dad isn't taking the kid out into the field to teach him how to



shoot any more". Other concerns include a decline in the number of country dwellers, who tend to have more space for shooting, and growing curbs on the discharge of lead.

Even so, Mr Jannuzzo believes market saturation is still a long way off. Most people who own guns buy more than one, he says, an assertion supported by the statistics. So with an ever-growing variety of firearms on the market, there is no reason why people should not continue to buy more. "I've never been a big collector, but I've got 30," he says. "I consider them an investment."

The American Shooting Sports Council, an industry body, is also

optimistic about the sales outlook. Mr Jack Adkins, the council's director of operations, believes the present downturn is just a natural consequence of the rash of buying that took place in 1993 and 1994. Sales are beginning to show signs of recovery, he says - and ironically, the new gun control laws are helping stimulate demand.

"The 10-round limit on magazine capacity has created a new market niche for what they call sub-compact semi-automatics in larger calibres," Mr Adkins explains. "Prior to the 1994 controls, the most popular side-arm would be a 9mm with a 15, 16 or 17-round magazine. Now these are no longer made, people are stepping up to a more lethal calibre that packs a greater power. Instead of having 15 rounds of 9mm, you will have 10 rounds of .45 calibre or five to seven rounds of .357 Magnum, which is a very powerful round as well."

Yet the anti-gun lobby claims there are increasing signs of desperation in the industry's marketing. Mr Michael Beard, executive director of the Coalition to Stop Gun Violence, says recent advertisements have tried to convince people that they need at least three handguns: one for the bedside table, one to carry concealed on their person when out on the street, and one as a back-up in their car or home.

"It's like the shampoo manufacturers many years ago, when they started adding the word 'repeat' to the

end of the washing instructions and doubled their sales," Mr Beard says. More controversially, the gun manufacturers have also been trying to market guns to women. Indeed, Smith & Wesson, a subsidiary of Tomkins, the British conglomerate, has introduced a range of revolvers under the LadySmith name, specifically designed for women's smaller hands.

"They have been trying to go after the single woman head-of-household to convince her that she needs a gun for home defence," says Mr Beard. "Of course, if they really were concerned about safety, the women's market they would be aiming for would be minority women with lower incomes. But these ads are aimed at upper-income suburbanites - the people least likely to face the problems they claim to be trying to solve."

Concern over this marketing ploy has reached a level where the Center to Prevent Handgun Violence, another anti-gun lobbying group, last week petitioned the Federal Trade Commission to ban advertisements suggesting that ownership of a gun made families safer. It said statistics showed that keeping a gun in the home greatly increased the risks of homicide and suicide.

The gun manufacturers, however, are unrepentant. As Glock's Mr Jannuzzo says: "There are more single mothers now than there ever were, and they are now the ones primarily responsible for home defence. It's probably one of the biggest open markets right now."

CURRENCIES AND MONEY

MARKETS REPORT

Dollar rallies

By Graham Bowley

The dollar rallied on the foreign exchange yesterday after the Japanese Tankan report dampened speculation of an imminent rise in Japanese interest rates and data showed a large rise in the Bank of Japan's foreign exchange reserves.

The increase in reserves last month was the first official hint of the extent to which the Bank of Japan intervened to support the dollar in February.

The dollar was also boosted by a strong rise in US government bonds on speculation that US interest rates might fall soon.

But the D-Mark weakened on growing expectations that German interest rates might be cut despite the Bundesbank's decision to leave rates on hold after its council meeting on Thursday.

The pound had a good day, pulled higher by the dollar. It finished at DM2.2558 against the D-Mark, from DM2.23 at the previous close. It closed weaker against the dollar at \$1.5284 from \$1.5309.

Expectations of further cuts in UK interest rates were raised after the UK purchasing managers' survey showed manufacturing conditions deteriorated last month. The December short sterling contract on the London market fell 0.21 point to 93.79 in late trading.

The South African rand came under pressure again on rumours that President Nelson Mandela was unwell.

The dollar finished in Europe at ¥105.49 from ¥105.17, and at DM1.4769 from DM1.4697.

The Italian lira closed weaker against the D-Mark at L1.068 from L1.069. The French franc closed at FF3.426 from FF3.428 against the D-Mark.

The dollar's weakness in recent weeks has been due to speculation that the Japanese authorities were set to raise interest rates soon. But yesterday's Tankan survey painted a gloomier picture of the Japanese economy than the markets had expected and suggested that Japanese interest rates might be on hold for some time yet.

The news helped support a general worldwide rally in government bonds and lifted the dollar higher.

"It was good news for bond markets worldwide ending speculation that highly geared investors would be hit by a Bank of Japan monetary tightening," said Mr Nick Stamenkovic, an economist at DEB in London.

Data showed that the Bank of Japan's foreign exchange reserves rose by \$17bn last month to a record \$195.83bn. Most of this increase was built up by the central bank's

repeated intervention to prop up the dollar against the yen, analysts said.

"People have seen the size of the intervention as a strong argument for the dollar," said Mr Mark Cliffe at HSBC Markets.

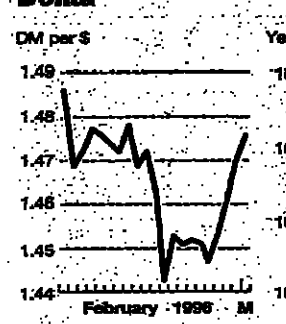
But he said the data could also have been interpreted as a negative factor for the dollar since it showed there was "almost a complete lack of other buyers of the US currency".

A wide-ranging survey of investors by Merrill Lynch published this week showed that investors have become heavily overweight in dollars over the last three months.

Speculation that US interest rates might fall soon was heightened by the latest US purchasing managers' index which analysts said confirmed that the US manufacturing sector remains weak.

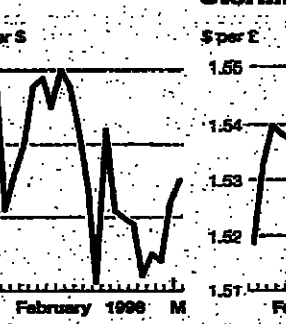
German inflation figures had little impact on the markets. But Mr Stamenkovic said he still expected the Bundesbank to cut the discount rate by another ½ point soon.

Dollar



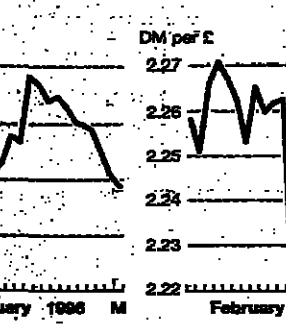
Source: FT Data

Sterling



Source: FT Data

D-Mark



Source: FT Data

■ POUND SPOT FORWARD AGAINST THE POUND

Table with columns: Mar 1, Closing mid-point, Change on day, Bid/offer, Day's mid, One month, Three months, One year, Bank of England, Index.

■ DOLLAR SPOT FORWARD AGAINST THE DOLLAR

Table with columns: Mar 1, Closing mid-point, Change on day, Bid/offer, Day's mid, One month, Three months, One year, J.P. Morgan, Index.

Table of CROSS RATES AND DERIVATIVES, EXCHANGE CROSS RATES. Lists various currencies and their exchange rates.

Table of EUROPEAN CURRENCY UNIT RATES. Lists exchange rates for various European currencies.

Table of BASE LENDING RATES. Lists interest rates for various banks and currencies.

Table of UK INTEREST RATES. Lists interest rates for various UK financial instruments.

Table of SWISS FRANC FUTURES (MM) SFR 125,000 per SFR. Lists futures prices for Swiss Franc.

Table of EURO CURRENCY UNIT RATES. Lists exchange rates for various European currencies.

Table of UK INTEREST RATES. Lists interest rates for various UK financial instruments.

Table of SWISS FRANC FUTURES (MM) SFR 125,000 per SFR. Lists futures prices for Swiss Franc.

Table of EURO CURRENCY UNIT RATES. Lists exchange rates for various European currencies.

Table of UK INTEREST RATES. Lists interest rates for various UK financial instruments.

Table of SWISS FRANC FUTURES (MM) SFR 125,000 per SFR. Lists futures prices for Swiss Franc.

Table of EURO CURRENCY UNIT RATES. Lists exchange rates for various European currencies.

WORLD INTEREST RATES

Table of MONEY RATES. Lists interest rates for various currencies and terms.

Table of LIBOR FT London. Lists LIBOR rates for various currencies.

Table of EURO CURRENCY INTEREST RATES. Lists interest rates for various European currencies.

Table of THREE MONTH EURIBOR FUTURES (MATIF). Lists futures prices for EURIBOR.

Table of THREE MONTH EURO CURRENCY FUTURES (LIFFE). Lists futures prices for Euro currency.

Table of THREE MONTH EURO CURRENCY FUTURES (LIFFE). Lists futures prices for Euro currency.

Table of THREE MONTH EURO CURRENCY FUTURES (LIFFE). Lists futures prices for Euro currency.

Table of THREE MONTH EURO CURRENCY FUTURES (LIFFE). Lists futures prices for Euro currency.

Table of THREE MONTH EURO CURRENCY FUTURES (LIFFE). Lists futures prices for Euro currency.

Table of THREE MONTH EURO CURRENCY FUTURES (LIFFE). Lists futures prices for Euro currency.

Table of THREE MONTH EURO CURRENCY FUTURES (LIFFE). Lists futures prices for Euro currency.

Table of THREE MONTH EURO CURRENCY FUTURES (LIFFE). Lists futures prices for Euro currency.

Table of THREE MONTH EURO CURRENCY FUTURES (LIFFE). Lists futures prices for Euro currency.

Table of THREE MONTH EURO CURRENCY FUTURES (LIFFE). Lists futures prices for Euro currency.

Table of THREE MONTH EURO CURRENCY FUTURES (LIFFE). Lists futures prices for Euro currency.

Table of THREE MONTH EURO CURRENCY FUTURES (LIFFE). Lists futures prices for Euro currency.

Table of THREE MONTH EURO CURRENCY FUTURES (LIFFE). Lists futures prices for Euro currency.

Table of THREE MONTH EURO CURRENCY FUTURES (LIFFE). Lists futures prices for Euro currency.

Table of THREE MONTH EURO CURRENCY FUTURES (LIFFE). Lists futures prices for Euro currency.

Table of THREE MONTH EURO CURRENCY FUTURES (LIFFE). Lists futures prices for Euro currency.

Advertisement for Danish Banking & Finance. The Financial Times plans to publish a Survey on Danish Banking & Finance on Thursday, March 21. The survey will in depth analyse the economic situation, the monetary policy setting, credit demand, and the general outlook for the banking and finance industry.

Advertisement for Frontrunner I, Sicav. Notice of Meeting. Shareholders of Frontrunner I, Sicav, are hereby invited to attend the Annual General Meeting, which will be held in English on March 15, 1996 at 10.00 a.m. at the registered office, with the following Agenda:

Weekend FT

Patricia Walker on a little-known campaign by Mikhail Gorbachev that sought to stamp out the scourge of the former Soviet Union

Comrades who tried to dry out Mother Russia

The prime minister of Ireland was waiting on the tarmac at Shannon airport. The jet taxied to a standstill. The boarding ladders were ready; nothing happened. Officials shuffled their feet in embarrassment. But of their guest there was no sign. The Russian president, Boris Yeltsin, was eventually told, "too tired" after such a long flight to descend from his aircraft. The visit - in September 1994 - was summarily cancelled.

Albert Reynolds accepted the explanation with typical courtesy but back in Russia, Alexander Rutskoi, the country's former vice-president, began to describe people as "being in a permanent state of visiting Ireland". Every Russian knows what it means.

In spite of concerted efforts by the state to curb alcohol abuse, Russians are still the world's heaviest drinkers.

Vodka was an escape from poverty under the tsarist regimes and from oppression under communism. It remains a huge obstacle to efficiency and economic progress, in spite of a heroic attempt by President Mikhail Gorbachev a decade ago to change the nation's habits. It was, by any standards, an extraordinary campaign, backed by the full might of the Soviet state and its propaganda machine. Although little was known about it in the west, the campaign's ambitions were comparable with those of the Prohibition in the US during the 1920s. And it ended, like the Prohibition, in wretched failure.

This strange and hitherto obscure chapter of Soviet history has been documented by Stephen White, of Glasgow

University's Department of Politics. His study, *Russia Goes Dry*, makes depressing reading for anyone who hopes that the law can control popular addictions.

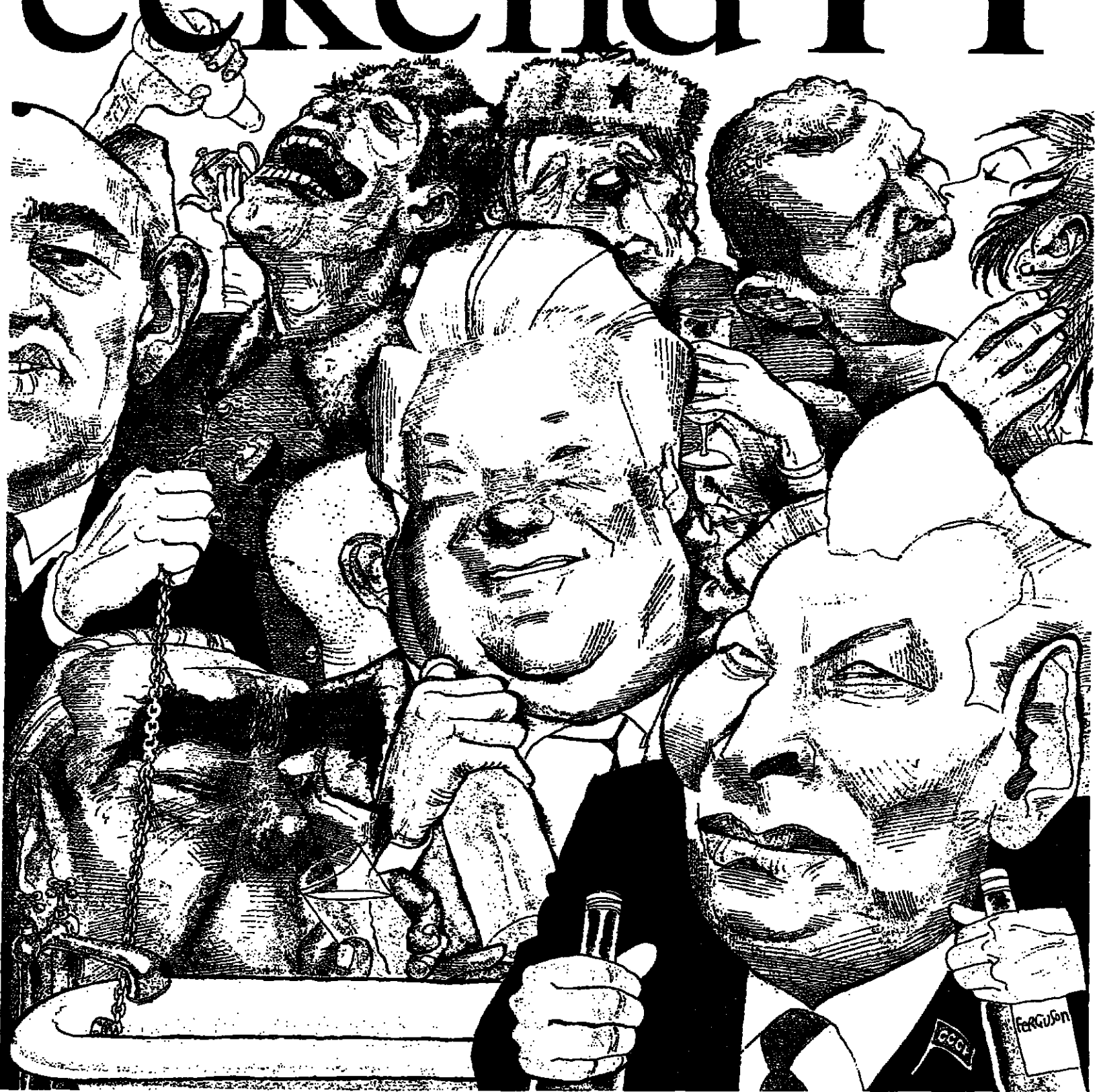
In the case of Russia's anti-alcohol drive, the reformers were battling against an ancient tradition. A thousand years ago, Grand Prince Vladimir advised his subjects: "Drinking is the joy of the Russes. We cannot do without it."

They heeded him so much that Russians are said to have embraced Christianity rather than Islam, partly because it allowed them to drink.

And 500 years later, the Venetian ambassador in Moscow observed that the Russians were "great drunkards and take a great pride in this, despising abstainers". Even in monastic communities, a 19th century English traveller found there were notorious drinkers. In the same century, girls of nine or 10 were made to drink so that they would dance at weddings, according to contemporary reports.

Eulogies to alcohol continued into the present century, the writer, Mayakovskiy, advised his fellow countrymen: "It is better to die of vodka than of boredom." Later, when the government restricted vodka sales, Russians turned to anti-freeze, brake fluid, eau-de-Cologne and shoe polish.

Conscripts in the armed services, who were forbidden alcohol, were sent vodka through the post, concealed in toothpaste tubes or hot water bottles. The crew of a Soviet tank, lost on manoeuvres in Czechoslovakia, sold the vehicle to a local cafe owner for two crates of vodka; and the Mig25 fighter bomber which needed 14 tons



of jet fuel and half a ton of alcohol for its braking system was commonly known in the Soviet air force as the "flying restaurant".

By the 1980s it was clear that unabashed public drunkenness was harming the nation's health and economy. Worst of all, Russia had drunken soldiers. Civilians and the military were prepared to risk lives to satisfy their addiction.

If Yeltsin did get drunk on the flight to Ireland, he was following a long tradition of inebriation among party bosses. Leonid Brezhnev, when he was general secretary, scandalised both the West and East German leaders Helmut Schmidt and Erich Honecker, by insisting that they kept him company in drunkenness, glass for glass. Konstantin Chernenko was the only Soviet leader to rival Brezhnev's consumption. He died in 1985,

apparently of cirrhosis of the liver.

The people took example from their masters, revelling in stories of excess. A man bit an Alsatian dog that sprang at him after sniffing vodka on his breath. Another inebriated Muscovite was jailed for five years for climbing on to a dome of St Basil's Cathedral in Red Square. More prosaically, the former Communist party first secretary in Minsk was arrested for attempting to sell 500,000 bottles of vodka on the black market.

Consumption of absolute alcohol quadrupled in the four decades after the second world war: one in seven of the population was classified as alcoholic; heavy drinking was starting in schools; young women were taking to the bottle; and the numbers of babies born with mental and physical defects increased. Drink was

the main cause of divorce.

Alcohol was also blamed for increases in traffic deaths, suicide and drowning, and rises in cirrhosis of the liver, venereal disease, difficulties in pregnancy, infertility and impotence.

All this had a devastating effect on a sick economy. In 1985 *Izvestia* reported that as many as 27m salaried workers had serious problems with alcohol. They were so drunk, or ill from drinking, that at least two days a week they did not show up for work. An investigation into 300 Moscow enterprises found that in the last hour of each shift, only 10 per cent of the workers were still at their posts.

Something had to be done. Gorbachev - urged on by his wife Raisa, whose brother's life had been ruined by alcohol - conceded that alcoholism was deeply rooted in Soviet society.

It could no longer be dismissed as a legacy of pre-revolution decadence. So he launched a two-pronged attack on alcoholism. First, he used the centralised powers of the state to make draconian cuts in production and sales of vodka. At the same time, he orchestrated a huge education and public awareness campaign.

After an encouraging start in 1985, when alcohol consumption seemed to be falling sharply, his plan to "save the genes of the Soviet people" faltered. By the early 1990s, consumption of hard liquor was back to normal. And it is greater today than before the campaign was launched. In

Russia, as in the US in the 1920s, the compulsion to drink overcame all official attempts to stop it.

The speakeasies, mobsters and jazz musicians which gave Prohibition in the US glamour were absent in Moscow. There, the anti-drink campaign was run by small-time bureaucrats: grey figures compared with gun-toting anti-heroes such as Al Capone and Mayer Lansky. Moscow had no equivalent. Russian housewives jostled with moonshiners, queuing for hours in the cold for the trickle of vodka available from official outlets. Demand for

Continued on page II

CONTENTS



Perspectives: Lisa Leeson goes to lunch with the FT III

Fashion: How to make the most of your own personal shopper IV

Sport: Scotland go for the Rugby grand slam X, XI

Food: Truffle hunting with a dog and a machine VIII, IX



Outdoors: Skijoring in St Moritz VI

Travel: Eat, drink, be merry - in Hong Kong XII, XIII

Private Views: Richard Goldstone and the Balkans war criminals XX

Arts XVI, XVII
Arts Guide XIV, XV
Books XIV, XV
Bridge, Chess, Crossword XDX
Colour Collecting XVII
Fashion IV
Food & Drink VIII, IX
Gardening VI
How To Speed It V
Motoring XI
Perspectives III
Property III
Sport X
Travel XII, XIII
Weekend Investor XXI, XXII



Joe Rogaly

Call for a superhero

Government needs miracle men. But where does it leave the poor voter?

Help, this is a case for Superman. Or Batman. Or Sherlock Holmes. Or anyone possessing powers extraordinary enough to give hope that he - there are few such in the superhero business - can get the villains in charge off the hook.

A fortnight ago the magic name was Ron Dearing. He was called upon by Britain's education secretary and her Labour opposite number. They begged him to invent policies for higher education that they, the responsible politicians, were afraid to articulate. They can trust Sir Ron. He will crunch the universities. He has no elections to lose.

Every government needs a Ron Dearing or two. Most have them. Between the first and second world wars Walter Monckton rose to the top of the swing-to-the-rescue profession. His clients included the Nizam of Hyderabad and King Edward VIII. He was trusted by the main players in the abdication drama, although they were at odds with one another. In the 1950s, as minister of labour in Churchill's government, his brief was to preserve industrial peace. His methodology was pre-1979 memories. "On what terms did you settle the dispute?" "Their course old boy." "You should expect nothing

less of any professional fixer. Fixers fix. That is what they know how to do. Harold Wilson put it best. "There is a time in the affairs of governments," he wrote in 1979, "when deadlock becomes total, and ordinary human agencies are impotent to deal with the situation; the superhuman is invoked and a telephone call is put through to Lord Goodman." This large legal gentleman was the late Labour prime minister's confidante. A miracle man.

He is one of a collection of so-called troubleshooters whose doings are described in a new book by Trevor Smith and Alison Young. Professor Smith, vice-chancellor of the university of Ulster, has a long pedigree in political studies. Alison Young is a researcher. Their other designated firefighters are Oliver Franks, who reported critically on the Falklands but added a thimbleful of whitewash, enough to save the government's skin; Edwin and Bridget Plowden, two selfless public servants; Michael Young, founder of the Consumer's Association and much else; and Derek Rayner and Roy Griffiths, who introduced the principles of shopkeeping to British administration.

Call me picky, but the above good folks are or were not all fixers, at least not in the sense of devoting their lives to the

skill of going between disputants and setting for the best deal that arm-twisting and cajoling can produce. That is a useful function, particularly when carried out to such spectacular effect as by Richard Holbrooke in Bosnia, but our heroes and heroine cannot be described as wheeler-dealers alone. They wheeled and dealt, but most of them also worked painstakingly at their

Only Nero made the mistake of not calling in a firefighter

desks, read late into the night, and produced volumes of great-and-good advice.

All were in some sense outsiders. Unlike Lord Monckton, none was both an Anglican and an old Harrovian. The Lords Franks, Plowden and Goodman were respectively Congregationalist, Roman Catholic and Jew; none attended public establishment schools. Lord Young was born of an Irish mother and an Australian father and his mind was trained at Dartington in Totnes, Devon. Lord Rayner was the first managing direc-

tor of Marks and Spencer who was not a member of the Stief family. Sir Roy Griffiths was the first non-family member to reach the board of J. Sainsbury.

Like every successful incomer, they knew a thing or two about making and keeping contacts. You naturally look to people you know and trust when you want help with whatever task you have been given. In return your appointees are expected to scratch your back. If they are decent, they do. As the authors remark of one of them - it does not matter which, it could have been any - "his old boy network more than compensated for his lack of an old school tie!"

They are all famous for something or other, notably Lord Plowden, for, among other things, laying the foundations for the Treasury's public spending reviews and his wife for a celebrated, though not universally accepted, report on primary schools. The exiles from Marks and Sparks and Sainsbury introduced contemporary management techniques to British administration and the National Health Service. Lord Franks did just about everything related to diplomacy and politics; Lord Goodman everything else.

It is at this point that my mind wanders away from the

path indicated by professor Smith and Ms Young. They wrap up their account with a discourse on the constitutional implications. Now I am a sucker for constitutional implications. It is very difficult to get me to think about anything else. If Emma Thompson telephoned me right now and suggested that I play James Bond to her Pussy Galore in a remake of the ageing 007 movie I would wonder about the constitutional implications.

On this occasion I must demur. It is true that the arrival of a tribe of management consultants in Whitehall has changed the way things work.

We may also agree that lobbying is a growth industry in London, although it has yet to approach the size of its counterpart in Washington. These intermediaries change the nature of the relationship between us poor ordinary voters and them who govern.

But consultants and lobbyists are a breed apart, separate from the Red Adairs who will always be needed. All governments have had them. They always will. Only Nero made the mistake of not calling in a firefighter. He should have remembered Sir Ron.

The Fixers: Crisis Management in British Politics. Dartmouth, 210 pages, £37.50. Fax: 01232-344405

Luxury Breaks at The Berkeley range from £110 per person sharing a room including breakfast. For further details call 01753 5000 or fax 01753 4177. For details of Luxury Breaks at The Berkeley's sister hotels Claridge's and The Savoy in London, and The Lygon Arms in the Cotswolds, call 01235 525000. Members of The Association of Hoteliers

Until 1972, guests could only find one fault with The Berkeley. It wasn't near enough to Knightsbridge. So we moved it.

PERSPECTIVES

Science / Andrew Derrington

Storms brew for the millennium

Solar winds which buffet the earth's atmosphere can have a powerful effect on the planet

When the millennium comes, it will bring storms severe enough to disrupt electric power transmission, telecommunications networks and even radio broadcasts on a huge scale.

These storms will take place not on earth, but in space. The most visible sign to human eyes - even more visible if the lights are extinguished by power failures - will be spectacular and widespread displays of the auroras, the northern and southern lights, as the outer reaches of the earth's atmosphere are buffeted by high energy particles streaming outwards from the sun.

The weather in space, at least in the bit of space where we live, is dominated by the solar wind, a stream of energetic particles spurring outwards from the sun at about 600,000km per second. As the particles meet the magnetosphere, a stream of space dominated by the earth's magnetic field.

The effect, according to Alan

Rodger of the British Antarctic Survey, is "like a stone in a stream". The wind is diverted around the magnetosphere, compressing it on the upwind side of the earth and dragging it out on the downwind side into a huge tail hundreds of thousands of kilometres long.

The same process generates the auroras. Particles from the solar wind diverted around the earth by its magnetic field enter the upper atmosphere at high latitudes. The ionosphere, as the charged upper layers of the atmosphere are known, "acts like a TV screen for what's going on out there", says Rodger.

As particles from the solar wind

strike oxygen atoms in the ionosphere, they emit light. The light is intensely coloured - most of it is either green or red - but it usually looks white to the human eye because we cannot distinguish the colours of very dim lights.

Unfortunately the solar wind does not blow steadily. "The surface of the sun looks like a pan of boiling toffee," says Rodger. Every so often the toffee bubbles and belches out a cloud of high energy particles that race towards the earth at thousands of kilometres a second, a "coronal mass ejection".

Nobody knows exactly what causes a CME but the events are linked to the occurrence of sun-

spots, relatively cool patches of intensely magnetic material that appear on the surface of the sun. The frequency of CMEs waxes and wanes with the 11-year sunspot cycle. The next peak in sunspot activity will coincide with the millennium.

The sudden shower of particles in a CME wreaks havoc with satellites. "In a storm a satellite can lose power from its solar panels, and get glitches in its control signals," says Rodger.

The charged particles cause stray electric currents in the satellite's electronic circuitry, which can be confused with command signals. In 1994 a storm caused a Canadian television satellite to turn its solar

panels away from the sun. The satellite's batteries drained and it lost power, drifting out of control until its solar panels came into the sunlight again six months later.

The sudden gusting in the solar wind causes huge electric currents in the upper atmosphere, according to Tudor Jones of the Radio & Space Plasma Physics Group at the University of Leicester. The "battery" that drives the atmospheric currents is set up by the movement of the charged magnetic particles in the solar wind around the upper magnetosphere.

The electric fields in the outer magnetosphere drive a current in the ionosphere - about 100km above the earth's surface - which

is also made more conductive by the effects of the solar wind. According to Jones, it is these currents - which can reach tens of thousands of amps - that induce the fluctuations in voltage that bring down power lines.

The currents in the ionosphere will induce a voltage in any long piece of metal. Pipelines are particularly vulnerable. During its construction, the Alaskan oil pipeline used to generate huge sparks. "Now it has a wire running to earth about every 10 metres," says Jones.

Solar storms also affect oil drilling, says Jones. In an oil well it is important to drill several holes that fan out in different directions

and do not interconnect. The drill is steered by a magnetic compass. During a storm the earth's magnetic field can change by enough to send the drill in the wrong direction.

Space weather forecasts are now available* from the Space Environment Center in Boulder, Colorado, but they are not yet very accurate, particularly in the long range. At present about 60 per cent of storm warnings are false alarms, and about 60 per cent of storms are missed.

To produce better forecasts scientists need more fundamental information about how the solar weather system works. It is hoped that new space missions, like the Polar satellite launched by NASA last week, will provide the space weathermen with something more reliable than a piece of seaweed.

* Also on the internet at <http://www.sei.bldrdoc.gov>

The author is professor of psychology at the University of Nottingham.

Minding Your Own Business

Problems of design ownership

Jonathan Guthrie spotlights a small company in a big store wrangle

The clean curves of the Flexo, a brushed aluminium reading light, have made it a Spanish design classic.

It is so common and so timeless that set designers used it in both the film *Barcelona*, set in 1930s Catalonia, and in Pedro Almodóvar's *The Flower of My Secret*, whose *mise en scène* is present-day Madrid.

The lamp is appearing in British homes, too, thanks to Jonathan Cahill, a 45-year-old former advertising executive.

But his venture shipping the Flexo to the UK and distributing it through design-led home furnishings shops has suffered a setback: he has become embroiled in a dispute over design copyright with Habitat in a disagreement that highlights the problems small entrepreneurs can run into over design ownership when dealing with big store chains.

It echoes a more highly publicised wrangle, in which clothes designer Liza Bruce has alleged that Marks and Spencer infringed her copyright on some swimsuit designs - a claim which M&S says has no substance.

Cahill's first encounter with the Flexo was while he was staying with Spanish friends in Majorca in 1983. "I saw the lamp in a little shop," he says. "I thought it was rather attractive and was also surprised by how competitively priced it was."

"I mentioned this to my friends but they dismissed it with scorn, because the Flexo is such an everyday item to Spaniards."

A year later, Cahill, who is part-Italian, part-Polish and has a passion for all things Spanish, encountered the lamp in another shop, this time while travelling in Andalucía. He bought one as a sample and began to think seriously about trying to import it to Britain.

He had the advantage of considerable marketing experience in what was to turn out to be a sales-led exercise - trying to persuade the right sort of shops to stock his product. He worked for 17 years for advertising agencies including Saatchi & Saatchi, and Davidson Pearce.

What he lacked was practical experience of electrical wholesaling. Having found a Barcelona-based manufacturer prepared to supply him at reasonable cost, he discovered that the Flexo failed British safety standards.

It cost Cahill almost a year of delays and £1,000 in laboratory testing fees before the lamp was suitable for the UK market. Luckily the testing house that gave the Flexo the initial thumbs-down was an invaluable source of advice on modifying it. The entrepreneur took the changes back to his contacts in Spain, who agreed to supply him with units made to the changed specification.

By autumn of 1994 the British version of the Flexo was ready to be marketed. The biggest outlet turned out to be on the stock itself. The smallest order the manufacturer will accept is £3,000. Cahill reckons that Z - the company registration he took over from his wife Dina, a self-employed advertising consultant - has around £10,000 tied up in stock at any one time.

Cahill finances this outlay, and all Z's other expenses, from turnover, his savings and an £8,500 overdraft facility from Lloyds bank.

Cahill found distributors for the lamp by driving around the country with a boot full of samples. He would stop at likely-looking shops where he would convince the manager to buy a few Flexos. When the lamps sold, these initial contacts led to regular orders.

Z has more than 60 outlets around the UK. "My whole strategy - with the exception of Habitat - has been to avoid chains and target individual shops with strong profiles," Cahill explains.

"The first shop I started with was the Conran Shop. Then I sold to other outlets in London like Purves & Purves and American Retro."

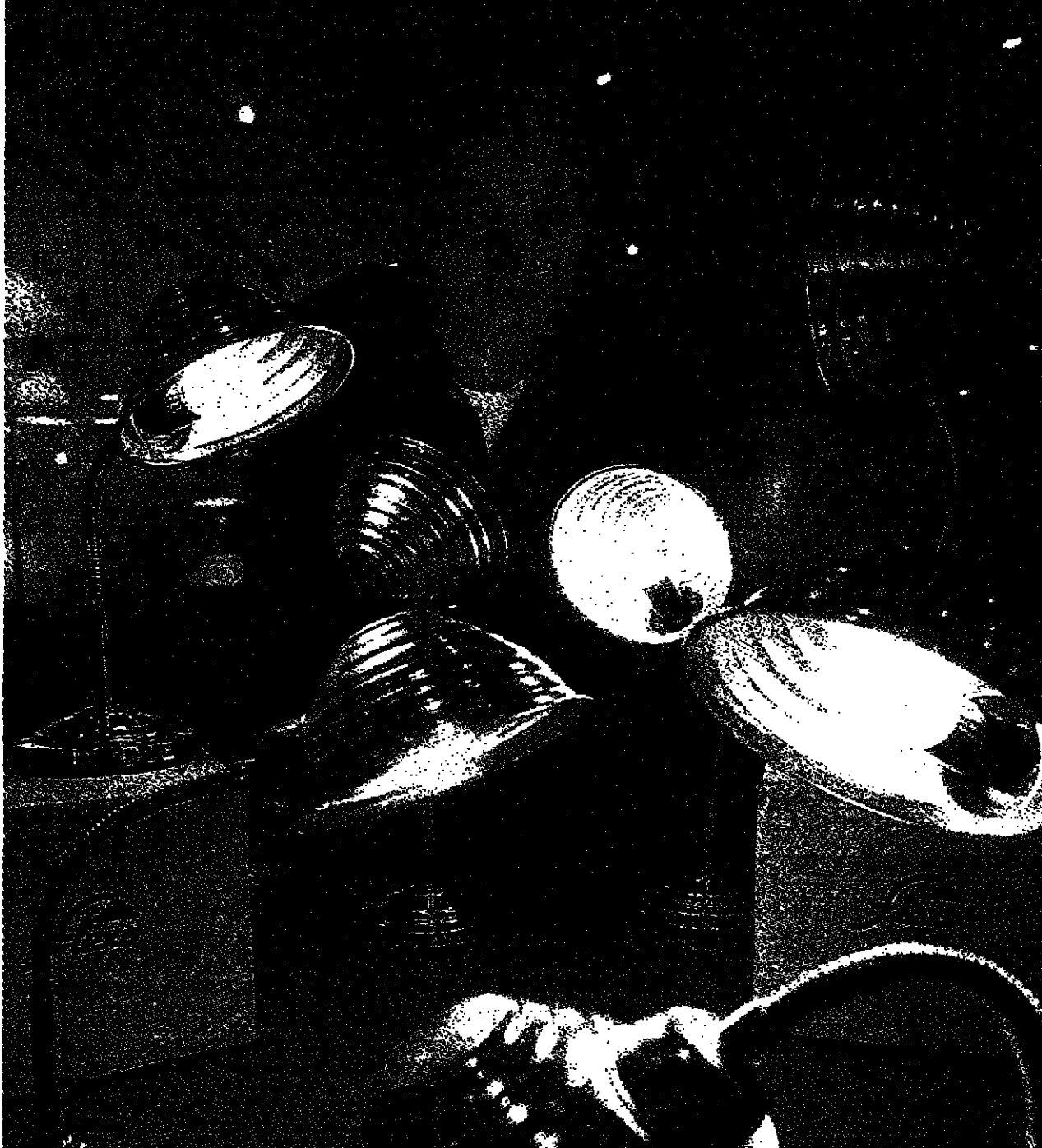
The Flexo's history as a design classic made it easier for it to win shelf space in fashionable outlets - it dates from 1925 and the Design Museum owns a version. Cahill compares the Flexo to the Zippo lighter - eternal but unpretentious.

The business has grown quickly. The one-man company had estimated turnover of more than £45,000 in 1995, its first full year of operations in the lamp market. This equates to a break-even, with the promise of profitability this year.

Cahill would be pleased with his achievement were it not for the disagreement with Habitat. Z's first serious discussions with Habitat took place in November of 1994. The retailer wanted to sell the lamps at £20 each, against a usual retail price of £21.95.

He said the wholesale price it was prepared to pay Z was too low to give Z an acceptable margin over the price it paid its Spanish manufacturer. Also, Habitat insisted on being the sole stockist of the Flexo in the UK. Cahill rejected the offer.

In February last year Habitat



Jonathan Cahill, Z's managing director, with the classic Flexo table lamps

contacted Z again. This time it offered the company a better price, as well as dropping its demand for exclusiveness. A deal was struck.

The relationship went well until October, when Habitat cut the retail price of the lamp to £15 from £20. A month later Habitat's price tumbled to £10 a unit, just as Z stopped supplying the chain and launched a £2,500 advertising campaign for the Flexo on London buses.

In the same month the outlet began to offer lamps it initially called the Flexo, but with a red or yellow painted finish, rather than the original brushed aluminium. By December it began stocking a brushed aluminium version of the product too. It called this the Felix after a letter of complaint from Z's solicitor. Habitat eventually gave the painted lamps the same name.

Cahill says that the appearance on the market of lamps very similar to his product, but at half the price, has damaged his business: some distributors including the Conran Shop temporarily removed the Flexo from their shelves. Sales have dropped, Cahill claims.

He now plans to fight Habitat in the courts. A complicating factor may be that the Flexo is a generic product in Spain, which anyone can manufacture and sell there.

Matthew Griffiths, media relations manager at Habitat, comments: "We appreciate the difficulties faced by small businesses. However we question the validity of Mr Cahill's design registration. Habitat stopped using Mr Cahill's logo and the Flexo name when we were told it was copyrighted in the UK."

By sourcing the light direct from a Spanish manufacturer rather than through Mr Cahill

Dispatches / Clive Aslet

Flight of fancy to Cuba

Which airline truly deserves the accolade of the World's Favourite? It may have been usurped by the UK's national carrier but, following a recent visit to Cuba, I would award it to Aerolíneas Argentinas.

While other airlines have cultivated a nanny-knows-best attitude towards passengers - you only have to look at the Mary Poppins hats worn by the British Airways stewardesses to see what I mean - beloved Aerolíneas Argentinas preserves a delightful informality. People sleep full-length, hats over faces, outside the departure gate.

There is no fuss about numbered seats. Even the safety announcements present regrettable necessities in their most positive aspect. Most carriers do not insist that the illumination of the no-smoking sign means that cigarettes must be extinguished. On Aerolíneas Argentinas staff said, rather as though we had just been orbiting the moon. But we still missed the BA flight by a whisker. Or rather we did not miss it - so to speak, missed us.

While we were waiting dolefully in the stand-by line, in full knowledge that, this being the end of half-term week, every returning flight from Miami for the next two days would be full, we heard the last remaining passenger for the flight that we should have caught, being paged. We remarked to Fred, the power-crazed functionary, whose duty it was to inflict torture on harmless wayfarers, that our outward flight had been delayed for two hours because the pilot had waited for connecting passengers, then missed his take-off slot. That, replied Fred with a wistful, sadistic glint in his eye, was then this was now.

I was lucky. Unexpectedly, a seat did become available on the last flight of the day. My young baby at home took precedence over my colleague's pregnant wife, and he nobly ceded it to me. Then, for him, began an odyssey via New York: not, in February, the best place to visit when you have only packed cotton trousers and Hawaiian shirts. Oh, we sigh, for the old-world charm of that most obliging, most debonair, most cordial of airlines, Aerolíneas Argentinas, we love you.

Clive Aslet is the editor of *Country Life*.

Continued from page 1

Comrades who tried to dry out Mother Russia

sugar and yeast soured (with more long queues) for illicit home brewing. The public cursed a regime which, within six months, had reduced the number of liquor stores by half and doubled the price of vodka.

During the campaign family business flourished. In Kiev one household admitted to brewing 40 litres of samogon (illicit brew) a day, using 150kg of sugar. In a back room police found 20 vats of homebrew, two huge stills and two large cupboard full of sugar. Another family was hiding half a ton of granulated sugar for its own use and for sale.

Total prohibition on the US scale was never seriously considered. The Soviet regime planned to use threat, punishment and re-education to reduce vodka production gradually, eliminate drunkenness from public places, and gener-

ally sober up the country.

But Russia's leaders might have learned from what had happened in the US. Americans were affronted by the infringement of their liberty. They ignored Prohibition and distilled their own spirits from bathtub fermentations. Thousands died from drinking moonshine, industrial alcohol, illicitly converted into gin and whiskey for sale in the speakeasies.

By 1929, there were 32,000 speakeasies in New York, double the number of bars before Prohibition. The humorist, John Kendrick Bangs, said: "Although man is already 90 per cent water, the Prohibitionists are not yet satisfied."

The liberal urban classes and businessmen lobbied for an end to Prohibition against the opposition of rural fundamentalists and a vociferous "dry" lobby.

In Russia, too, leading figures were at odds with one

another. Yegor Ligachev, Politburo member and a teetotaler, said the Communist party should be dried out before the country was tackled. He told the Central Committee in the campaign's early days that 199,000 party members and 370,000 Komsomol members had been before the authorities because of alcohol abuse.

Yeltsin, then climbing the political ladder, damned the campaign as "amazingly ill-conceived and ridiculous". (But later, as Moscow party secretary, he embraced it with enthusiasm. In 1998, nine out of 10 vodka shops in the capital were closed and alcohol consumption initially fell by 40 per cent.)

The campaign was launched in spite of objections from the party's elite. Alcohol was banned from public banquets and receptions and from private functions such as weddings. Party officials who drank would be dismissed: drunken workers would lose bonuses and holiday entitlements. Mention of alcohol were to be removed from public performances of operas and plays. The works of Omar Khayyam and Pushkin were to be censored.

The Ministry of Internal Affairs, the Soviet Prosecutor's Office and the Ministry of Justice were instructed to tighten the rules governing trade in alcohol and, hardest of all, to eradicate home brewing.

A front organisation was established, The All-Union Voluntary Society for the Struggle for Temperance (VDOBT), a people's army of salvation, attempted to shape public opinion, setting up leisure facilities, counteracting pro-drink "propaganda" and helping in the fight against home brewing. Within two years the VDOBT had 14m members organised into 450,000 branches throughout the Soviet Union. The death penalty was intro-

duced for murders committed under the influence of alcohol and show trials were held for habitual drunks at the factories where they worked. Vodka distillers were converted to the production of fruit juices and confectionery; the prices of vodka, cognac and wine long, however. Even during the successful phase, conspicuous drunkenness was still evident. Journalists visiting the central Russian region of Yaroslavl found a café full of "flabby, pale-faced people, come out to clear their heads of a hang-over". And in Ukraine and Bryansk there was no significant decline in drunkenness.

In spite of the threats, home brewing became as common in high-rise city dwellings as it had long been in the countryside. Baths, buckets and kettles were used. If sugar could not be bought, scarce grain, potatoes or fruit were substituted. The number of arrests for illicit distilling doubled in 1987 compared with the year before, to reach 440,000.

By 1988 the illicit stills were producing 40 to 50 per cent more spirits than the state plants.

The campaign effectively collapsed in October 1988, when the Central Committee said that, while "reaffirming the struggle against alcoholism... every effort must be made to eliminate queues". In plain language this meant that official production and sales of vodka was to be increased.

By 1992 Gorbachev was ridiculing the idea that he had ever been associated with the campaign. "They tried to make an abstainer out of me," he said.

Stephen White thinks the campaign was probably doomed from the start. In spite of the huge powers of the state, the local bureaucrats, who were supposed to enforce the measures, often evaded central directives. Court sentences were often not enforced. Nobody, for example, was responsible for removing the offspring of persistently drunk parents to children's homes, after an order had been made. Many, instead, became school-aged drunks.

The difference between "gen-

Total prohibition on the US scale was never seriously considered

Chess No. 1117: 1 Pn6 e6 2 Cxg6 Kb5 3 Cxf3 mat.

Sharin
a giggl
with Li
Leeson



PERSPECTIVES

Lunch with the FT

Sharing a giggle with Lisa Leeson

Lucy Kellaway meets the wife of the man who broke the bank

I doubt if Lisa Leeson was much looking forward to our lunch engagement. In her diary for February and March there are 26 dates with journalists, each one a fresh opportunity to be asked how on earth she failed to notice that her husband was bringing down Barings Bank.

There she was, 10 minutes early for our lunch at Ajimura in Covent Garden, killing time in a nearby Japanese shop. Also early, I was doing the same. "Lisa?" I said, accosting a pretty blond woman in a fur hat and smart brown coat.

She gives me a nice smile; she looks carefree, relaxed. If a stranger had to guess which one of us had a husband in Changi prison, they would certainly not have thought it was her.

"The questions people have asked me," she exclaims in broad estuary English as we sit down at our table. "One girl said to me: so how do you feel about not having sex? You have to be quite thick skinned doing this. I try to be enthusiastic all the time."

That must be hard work, I say. She shrugs. "I'm just a go-with-the-flow person. I don't argue. If someone says we're going to go to the Crown pub, I'm like, fine. I don't say I don't like the Crown."

Can she stop smiling once she is back at home with her mum and dad, I ask.

"We are positive thinking people. I'm usually fine at home. Sometimes I get a bit tearful," she gives a stage boo hoo, followed by a hearty laugh.

She casts a professional eye over the menu and orders green tea and the set sashimi lunch. I order the same. "Working in a tea shop you get sick to death of eating sandwiches," she says pleasantly. Usually she has toasted ham, mustard and tomato; she can't have dairy products because of her eczema.

She rolls up a sleeve to show me a red mark.

"When it happened," she says, bringing up the subject herself as I had still not mentioned it, "I was covered in eczema." That is strange, according to *Rogue Trader*, she showed no signs of stress. When she found out what her beloved husband had been up to, she was calm, phoned her mum and had a laugh with her over the phone.

Surely it wasn't really like that, I say.

"See, when people ask me questions about it, to tell you the truth, I can't really remember," she says. "So much was going on, it was like a whirlwind. We didn't eat. We didn't sleep. We didn't talk."

I say that I found the picture of her in the book altogether implausible. She is presented as the perfect wife: sexy, lovable, practical, and every reference to her comes with a

sickly profession of her husband's love. "Do you think so?" she looks doubtful. "I read the book and feel negative about all the bits about me. What I really hate is that people know about me."

We start to discuss her life now, which sounds uproarious. Her mum and dad are "a good laugh," as are all her mates in Maidstone. She even cracks jokes with her husband during the 20 minutes a month she gets to see him through a plate of glass. And after these visits, the girls in Singapore throw a party for her and they all have "a good giggle."

With no self pity she tells me that the only thing she has to show for her married life is a lock of Nick's

One of the myths that seems to bother Lisa Leeson most is that she and Nick led a glamorous life

hair - the liquidators have everything else. She takes a crumpled piece of peach loo paper out of her handbag, and I inspect the single curly hair in silence. "I picked it off his T-shirt in Frankfurt. Nick can't spare more than one," she laughs.

As she deftly dips a bit of raw fish into the soy sauce, I ask about Stephen Fay's rival book about the Barings collapse, which presents Nick Leeson as more rogue than trader.

"I'd rather not read it," she says, and a vacant look comes over her eyes as I spell out the allegations. It cannot be easy for her defending him. After all she has never even had a real discussion with him about what happened.

Suddenly she announces that she would like some green tea ice cream. "It tastes just like a cuppa tea!" she explains. Unfortunately they do not have it, instead we are each presented with half an orange.

Curiously, one of the myths that seems to bother Lisa Leeson most is that she and Nick led a glamorous life in Singapore. With pride she describes the mundane monotony of their evenings together. "He came home from work. I'd say: Hi honey, how's your day? He'd say: fine. He'd have a shower and lie on the sofa, have a packet of crisps and a cup of tea and wait for me to dish up dinner. And the rest of the night Nick's lying there watching a Chinese film with Malaysian subtitles and I'm reading a book."

"The thing that annoyed me about Nick was the way he was always switching channels," she goes on. In her place, the thing that would have got to me was the way he was always losing millions and neglecting to mention it to his wife.



Lisa Leeson: 'I'm usually fine at home. Sometimes I get a bit tearful'

But of course I don't say that. Instead I suggest that maybe she has not yet come to terms with what has happened to her.

"It hasn't really sunk in - I've just been carried along on the wave. All I want now is a full-time job so I don't sit around thinking about it."

I ask about her application to be an air stewardess with Virgin Air-

ways. "If I get the job, I want the other girls to know me for me. Not for Lisa Leeson."

Either way, she would make a terrific stewardess. She has the looks, the smile, and keeps her head in a crisis. She can hand out scones and cups of tea, and she loves travel. If I were Richard Branson, I would hire her on the spot.

I settle our modest bill and ask her what she made of the meal. "It was OK, I liked the salad, but the fish wasn't very tender. That was putting it mildly. I say that some of my raw fish tasted aged. She laughs: 'I'll call you tomorrow and ask if you are in the same state as me?' We have a giggle. She thanks me, and I wish her luck.

Truth of the Matter

Conscience: a luxury we cannot afford

Hugh Dickinson believes the Scott report raises issues of responsibility related to the bombing of Nagasaki

It tumbled out of a bright morning sky like a huge ball bearing. No one saw it. Some may have heard the drone of the aircraft up near the stratosphere from which it had been released.

The men in the aircraft could not see it either, but they were close enough to count the seconds. Then, instantly, thousands of children were incinerated, their mothers vapourised, their aunts and uncles turned to ash on the searing wind.

They were lucky. Others further out were flayed alive and stayed alive for days, weeks, months in agony. Others died by inches over decades.

They called it Fat Boy. Confy name that. A bit of a joke.

Distancing. The aircraft crew sped into the distance, too comfortably warm up there in their silver tube, slipping across a serene sky. Calm and guiltless in their distance from the firestorm they had caused.

But were they responsible for those 100,000 deaths in Nagasaki? Surely not.

Responsibility creeps remorselessly back up the chain of command. The senior officers who gave the orders, the scientists who devised the dreadful weapon, the politicians and strategists who mobilised the resources to produce it - don't they bear a greater burden of responsibility?

The president of the US had a little notice on his desk "THE BUCK STOPS HERE". But it doesn't really. The people had elected him to carry and to represent the will of the whole nation. He did it for them. They were too dispersed and too distant to own their action. So no one owns it.

The further we are from the physical and personal impact of our action or the human effects of our decision, the less moral responsibility we feel.

The longer the chain of command the more moral responsibility gets dispersed and reduced.

A special technical jargon is devised to sanitise the human cost with its grief. All those moral agents down the line passed the impersonal decision along because the system has its reasons alongside which individual and personal integrity seems an irrelevant luxury - or, worse, a kind of treachery as

Oppenheimer discovered to his cost. Then the point comes where the system may be guilty of an appalling crime against humanity but no individual feels obliged to own the consequences of his actions.

Only one did. One of the men in the aircraft which dropped the atom bomb on Nagasaki committed suicide when he saw the photos.

If the whole chain of command had been forced to stand and watch the children dying would they at least have wished they had not done it?

Or must we surrender our conscience to the state - which has its own cruel reasons but offers to purge our consciences for us with public immunity certificates?

The analogy may seem a bit extreme in the backwash from the Scott inquiry, but extreme cases often bring out underlying principles with greater clarity.

The objections around the responses of politicians to Scott's report are partly deliberate, but

partly due to the interweaving of a number of related but actually distinct strands of morally questionable actions.

The primary issue is not about the deception of parliament and the public. Of course no rational and impartial person can fail to agree with Scott that such deception did take place (whether "duplicitous" or not is of minor semantic moment when such large issues are at stake).

Commentators are quite right to say that such deception and contempt for truth undermines the democratic state. That is serious enough.

But the question behind it is a wider one about the integrity of those who claim reasons of state for actions which were manifestly incompatible with the standards of morality and decency to which most British people still hang grimly in the face of the eroding winds of cynicism and hypocrisy.

Commentators are quite right to say that such deception and contempt for truth undermines the democratic state. That is serious enough.

But the question behind it is a wider one about the integrity of those who claim reasons of state for actions which were manifestly incompatible with the standards of morality and decency to which most British people still hang grimly in the face of the eroding winds of cynicism and hypocrisy.

Commentators are quite right to say that such deception and contempt for truth undermines the democratic state. That is serious enough.

But the question behind it is a wider one about the integrity of those who claim reasons of state for actions which were manifestly incompatible with the standards of morality and decency to which most British people still hang grimly in the face of the eroding winds of cynicism and hypocrisy.

Commentators are quite right to say that such deception and contempt for truth undermines the democratic state. That is serious enough.

But the question behind it is a wider one about the integrity of those who claim reasons of state for actions which were manifestly incompatible with the standards of morality and decency to which most British people still hang grimly in the face of the eroding winds of cynicism and hypocrisy.

Commentators are quite right to say that such deception and contempt for truth undermines the democratic state. That is serious enough.

But the question behind it is a wider one about the integrity of those who claim reasons of state for actions which were manifestly incompatible with the standards of morality and decency to which most British people still hang grimly in the face of the eroding winds of cynicism and hypocrisy.

Commentators are quite right to say that such deception and contempt for truth undermines the democratic state. That is serious enough.

But the question behind it is a wider one about the integrity of those who claim reasons of state for actions which were manifestly incompatible with the standards of morality and decency to which most British people still hang grimly in the face of the eroding winds of cynicism and hypocrisy.

Commentators are quite right to say that such deception and contempt for truth undermines the democratic state. That is serious enough.

But the question behind it is a wider one about the integrity of those who claim reasons of state for actions which were manifestly incompatible with the standards of morality and decency to which most British people still hang grimly in the face of the eroding winds of cynicism and hypocrisy.

Commentators are quite right to say that such deception and contempt for truth undermines the democratic state. That is serious enough.

But the question behind it is a wider one about the integrity of those who claim reasons of state for actions which were manifestly incompatible with the standards of morality and decency to which most British people still hang grimly in the face of the eroding winds of cynicism and hypocrisy.

Commentators are quite right to say that such deception and contempt for truth undermines the democratic state. That is serious enough.

But the question behind it is a wider one about the integrity of those who claim reasons of state for actions which were manifestly incompatible with the standards of morality and decency to which most British people still hang grimly in the face of the eroding winds of cynicism and hypocrisy.

Commentators are quite right to say that such deception and contempt for truth undermines the democratic state. That is serious enough.

But the question behind it is a wider one about the integrity of those who claim reasons of state for actions which were manifestly incompatible with the standards of morality and decency to which most British people still hang grimly in the face of the eroding winds of cynicism and hypocrisy.

Commentators are quite right to say that such deception and contempt for truth undermines the democratic state. That is serious enough.

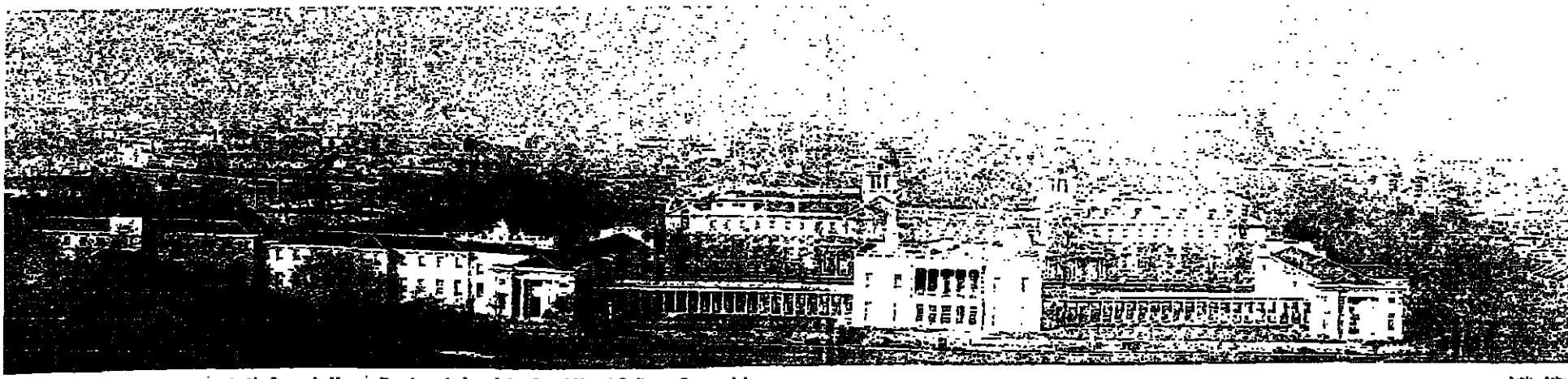
But the question behind it is a wider one about the integrity of those who claim reasons of state for actions which were manifestly incompatible with the standards of morality and decency to which most British people still hang grimly in the face of the eroding winds of cynicism and hypocrisy.

Commentators are quite right to say that such deception and contempt for truth undermines the democratic state. That is serious enough.

But the question behind it is a wider one about the integrity of those who claim reasons of state for actions which were manifestly incompatible with the standards of morality and decency to which most British people still hang grimly in the face of the eroding winds of cynicism and hypocrisy.

Versailles on the Thames

Gerald Cadogan asks what is to become of the Royal Naval College at Greenwich



The National Maritime Museum (left), Queen's House (front centre) and the Royal Naval College, Greenwich

Now that the old gasworks at Greenwich on the south bank of the River Thames in London has been chosen to host the Millennium Exhibition, it is high time to resolve the other important issue about Greenwich. What is to happen to the Royal Naval College, the grandest set of baroque/classical buildings in Britain and an icon of the country's naval history?

The trustees of the National Maritime Museum have proposed that the government entrust the RNC buildings to a new Royal Greenwich Trust. Will it? The effects of this decision will last longer than the two years' term of the exhibition, although that and the opening of the Jubilee Line extension will give a huge and, it is hoped, lasting boost to the local economy.

Since the millennium starts at Greenwich, it makes sense to hold the exhibition there. The 1884 Treaty of Washington sets up the world time zones chose it as the prime meridian (GMT). Each day starts at Greenwich at midnight. But what an ironic event the festivities planned on the meridian line at the Old Royal Observatory on the evening of December 31 1999 and early hours of January 1 2000 will be if there is no future for the RNC buildings to match their contribution to the past.

The decision belongs to

Michael Portillo as defence secretary. After the public furore at his proposal last September to sell the RNC, he has enrolled an advisory committee under Lord Faringdon. Other members include Dame Jennifer Jenkins, Lord Rothschild and Sir Jocelyn Stevens. Sir Christopher Wren planned the Greenwich buildings on an axis that runs from the river through the Queen's House (by Inigo Jones) and up the hill of Greenwich Park. They unite monarchy - since Greenwich was a royal palace

- with British maritime tradition in a piece of architectural heritage that rivals Versailles. Not surprisingly, Greenwich is a candidate for World Heritage status. A decision is needed now. Time is short. In 18 months the RNC will be gone, on its way to the new combined services staff college at Camberley. Portillo commissioned Knight Frank to market the buildings. Its brochure asked for proposals by November 15, more than three months ago. And what was the result?

Apart from proposals from the US and east Asia, the government has been left with the two applicants which had been there all along - the National Maritime Museum and the University of Greenwich. "It didn't make much commercial sense," says museum director Richard Ormond, "to go through the whole marketing exercise."

The University of Greenwich, which began at Woolwich as the second polytechnic in the UK and is now split across 20 sites from Roehamp-

ton to Chatham, proposes using much of the RNC for its business faculty and central administration, and adjacent buildings for a library, catering, computing and students' quarters. The museum has submitted two schemes. One is a bid to manage the Painted Hall and Chapel, and their undercrofts, and increase their access. Its other proposal has a wider view. A trust should be set up, called the Royal Greenwich Trust, to manage the site in the national interest.

Responsible directly to parliament, it would meet the key concern at Greenwich of conserving - and enhancing - the national heritage and history. This imaginative scheme would provide the strategic planning that a place of such importance needs. The university would still use much of the space, but the RGT would free it of the non-core activities of running a tourist site and finding the money to maintain the buildings. There would also be space for the museum's Mari-

time Research and Information Centre. The handsome late 19th century Peeps Building, near Greenwich Pier, could house a visitors centre, and provide room for the Maritime Trust, whose flagship Cutty Sark stands in drydock next to the pier.

The public would have full access to the Painted Hall and Chapel, except when Greenwich reverts to its old ceremonial use as the place to receive foreign heads of state.

The Painted Hall can also be let for income-yielding corpo-

rate events, and the RGT lease accommodation now used by naval staff as flats. "Clearly the nation wants to keep Greenwich," says Ormond, as the fierce reaction to the idea of a sell-off has shown.

It will need money, but less than is needed for the exhibition. Running the RNC costs about £2.7m a year, of which £1.2m comes from the Department of National Heritage for maintenance, while the Ministry of Defence pays around £800,000 for interior costs and a further £400,000 as rent to the secretary of state for defence (in his capacity as the sole trustee of the Greenwich Hospital, which is the freeholder).

The RGT would start fund raising, but still expects the government to contribute to the external maintenance of the buildings and the interior of the Painted Hall and Chapel.

To recognise the navy's part in ensuring that Britons will never be slaves, the government could supply a dowry, as it did for the naval dockyard at Chatham in Kent.

But the National Lottery must be the obvious source for initial funding for the RGT, which may need £25m. Saving Greenwich for future generations is an ideal way to spend lottery money through the National Heritage Memorial Fund, and ensure that the buildings are still there when the Millennium Exhibition is just a memory.

Hugh Dickinson is Dean of Salisbury.

Anthony Ashworth

HOW TO SPEND IT

Frockmeister to the ladies who lunch

Once upon a time Tomasz Starzewski was the best-kept secret of London's lunching ladies. No longer. The secret is out.

His reputation as frockmeister in a certain world, albeit a rarefied one, is assured. This week saw a further change of gear in his life when he opened his own store in Sloane Street, London. And Asprey, the Bond Street jeweller and luxury goods house which bought a big stake in his company two years ago, gave the dinner of British fashion week in celebration of new beginnings for both of them.

For Asprey, of course, new beginnings are sorely needed. It has been no secret that this one-time grand luxury store had lost its lustre.

Its share price had tumbled. Naim Attallah, who had been its group executive chairman for four years, had failed to work his expected alchemy, and among the luxury gift-buying set the turquoise blue of a Tiffany box, the distinctive green of a Gucci or the brilliant orange of Hermès had come to have more cachet than Asprey's own deep purple.

Starzewski, the son of Polish refugees, is less in need of new beginnings - "we don't have the past baggage and there are happily no mistakes to put right" - than growth.

When he sold a major stake in his company to Asprey about two years ago, he did so not because he needed rescuing but because he needed the backing of a big luxury group if he was to achieve all he wanted.

"Most of us are given one very important break in one's life and this is mine. I intend to respect it and make it work. It's incredibly exciting to have the vision and expertise of a big luxury group behind you," he says. "If there's a crisis I can talk to them, I can bounce ideas off them and they seem as ambitious for me as I am for myself."

"When Asprey bought into me most people thought they were mad. Here was this young couturier [he was just 32] with a small, specialised clientele. I think for them I represent the future - the youthful side of you like - of the luxury goods market. If you look at it that way it looks much more logical."

"It was Naim Attallah who originally believed in me and backed me but Ian Dahl, the new group chief executive, is just as supportive and he thinks big. It was he who said to me that I have to be in a 'proper retail environment' but he left it to me to find it. I chose Sloane Street over Bond Street because it's a highly residential area, and if I look at my client list this is where they live."

"I had always known that having a shop of one's own is essential. Many of us - including Caroline Charles, Shirin Cashmere and others - wouldn't have survived the recession if they hadn't had



Jade green cotton bouclé collarless jacket (£460) over matching embroidered bustier and hipsters (£150)

Lucia van der Post meets Tomasz Starzewski, one of London's most socially successful designers, who aims to put his name on the world stage - starting with the opening of his new flagship store



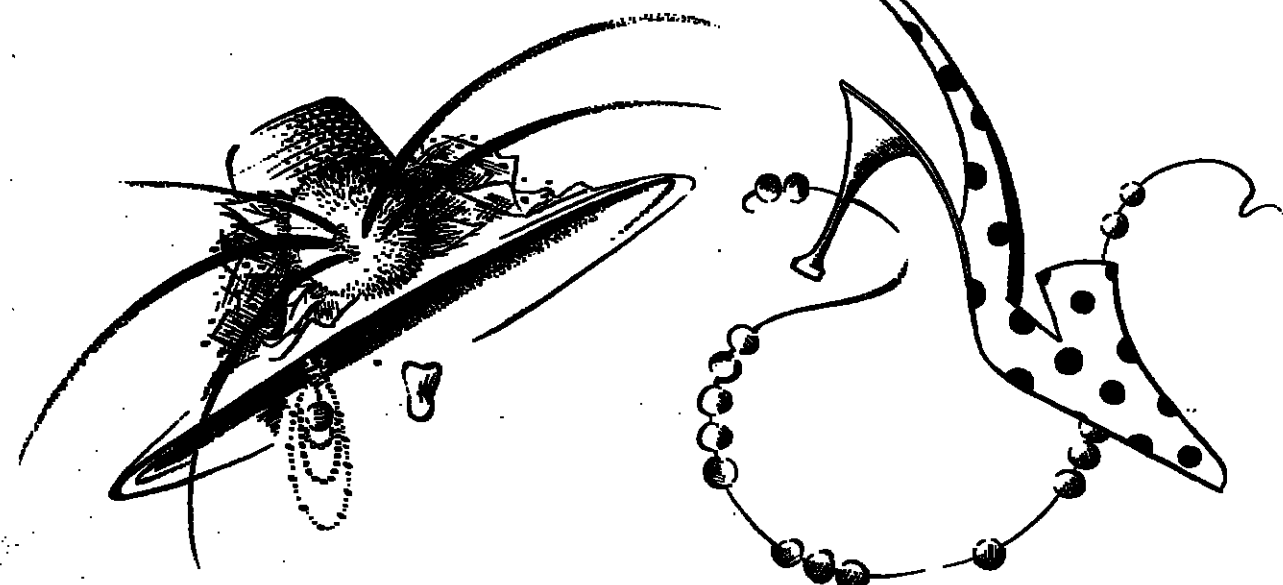
Tomasz Starzewski: his new flagship store was designed by his great friend - and client - Tessa Kennedy



Above: Sam Barnett in front of an Oriol Harwood gilded mirror wearing a white silk cocktail dress with embroidered black chantilly lace bodice, £950

Left: Barnett on the ground floor of the new store in a violet silk crêpe coat-necked evening dress, £1,200. A table by Oriol Harwood in the background

Photographs by Trevor Humphries



Lacquered black straw hat by Stephen Jones. Polka dot grosgrain used for shoes by Gina, £210

one. But I did not dare to dream that I would have a major store on what is now the most fashionable street in London.

"Ian Dahl recognises that I have a public that has buying power and he is prepared to back me." Given that among his clients are said to be 250 of the most socially influential women in England, and that most of his clients hear of him by word of mouth, Dahl would seem to have backed a winner.

The idea, of course, is to turn Tomasz Starzewski into an internationally recognised label. Asia and the US are the priorities - he already has a big client base in Hong Kong and two own-label shops within Lane Crawford stores will open in the autumn. His glamorous evening wear has always sold well in Saks and Neiman-Marcus in the US and shops within shops are being looked at.

All this fits into the larger strategy of turning the whole Asprey group into a global luxury goods business but, as Starzewski says in a slightly bemused way, "For the moment I am the most global part of their business."

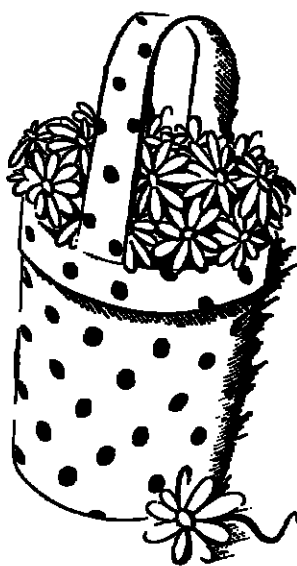
In the UK Starzewski's world may be small and intimate but it is powerful. There is hardly a fortune worth mentioning that has not been plundered at some stage to fund a Starzewski frock or three.

For the thing about his clothes is that they add instant glamour. Other designers may produce clothes that are cooler, more directional, more understated, more elegant. But few know how to turn a piece of cloth and some glittery buttons into such a potent weapon of seduction. Starzewski's frocks are perfect mistress clothes. Men love to see their women in them.

You do not flourish a Filofax in them or look as if you know your bond markets from your gilts. When you want to play office politics or look intimidatingly clever then you do not wear a Starzewski frock. But, if it's a flirty lunch with someone you fancy, or a grand ball at which you want to make an entrance, then he will do you proud.

At the new shop, frocks and ball-gowns will be joined by a full range of accessories, including matching shoes. In the past his shoes always came from Jimmy Choo but he cannot meet the new demands and so Gina will provide some of the new footwear this autumn. Bags will be specially designed by Lulu Guinness, hats by Stephen Jones and jewellery by Erikson Beaman.

Although Starzewski's reputation is of serving a small and privileged elite, his prices are more accessible than this might imply. A sassy day-time suit from the ready-to-wear range costs between £500 and £600, no more than many pedestrian labels. A dress



Polka dot grosgrain bag by Lulu Guinness. To order



Charles Tyrwhitt introductory offer 25% OFF ALL SHIRTS



You could easily pay twice as much or more in Jermyn Street for a shirt that would look - and feel - no better. Charles Tyrwhitt saves on retail overheads to bring you shirts made from their own luxurious Egyptian cotton, single-needle stitched for no puckering; with split yoke, brass stiffeners, pearlised buttons and our unlimited guarantee. All for just £29.25 with this special offer. No wonder our rivals are getting hot under the collar!

PLEASE SEND ME A FREE SET OF BRASS COLLAR STIFFENERS AND YOUR 32page BROCHURE...
Mr/Mrs/Ms/Ms
Address
Postcode
PLEASE RETURN TO: Charles Tyrwhitt Shirts, FREEPOST, 298-300 Munster Road, London SW6 6YX Telephone: 0171 386 9900 Fax: 0171 386 0027

60 Sloane Avenue
Brompton Cross London SW3
Stylish offices to let 5,000 - 10,800 sq ft

"With the Michelin Building now refurbished and bustling with activity, Brompton Cross (as Blueprint has christened it) is probably the best area in London for quality retailing, restaurants and working."

Stanton Williams' reconstruction of the old Harrods depository brings an elegant addition to the area and is a most welcome neighbour."

St Terence Condon

Four shops remaining 930 - 4,800 sq ft

Now open

Blorn Berg, Tin Tin, Kilo Americano, Pinks Inc

Opening shortly

1 Avenue Restaurant & Delicatessen (650 covers)

Plicher Hershman Egerton Jones Lang Wootton

Tel: 0171 483 5255 Tel: 0171 493 2676 Tel: 0171 493 8642

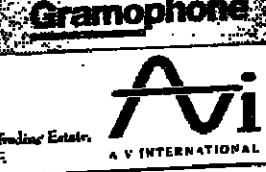
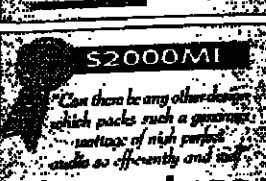
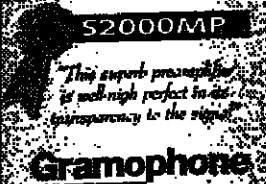
Six year old gets Double First

Six year old British Hi-Fi manufacturer AVI has taken two top honours at the Gramophone Audio awards.

With products dubbed technically "superb" and "high perfect" our systems combine brilliant sound quality with stylish good looks. And with prices starting at £2,400 we're a third of the price of our supposed competitors.

Call us now for some grown-up information about our award winning products.

01453 752656
AVI International Ltd, Unit F3C3, Bark Road Trading Estate, Second, Chesham, Bucks ULS 3QR



OUTDOORS

Skiing

A 60kph tow on a frozen lake

Arnie Wilson enjoys the food and sport at St Moritz

For the best part of an entire circuit on the frozen lake at St Moritz, the two men on skis and the racers-horses pulling them at 60kph are neck and neck - one a skiing expert, the other a professional jockey.

Their crash helmets, flashing in the Engadine sunshine, are almost as close as colliding snooker balls.

Even skiers in the celebrated Marmite restaurant, at the top of the funicular, pause over their *bimbi au caviar* (SwFr140 a portion) and *caviarissimo* (carpaccio with wild salmon, truffles and caviar - FF168) as they strain to admire the spectacle below.

Grinly, Franco Moro, the reigning "skijoring" champion, and his nine-year-old steed, Sacred Number, fight to find a way past Territorial Claim, towing Jakob Broger, on the inside. His route is barred. Outside does not work either. Broger may not be such a skilful skier, but all his williness as a jockey is coming into play.

Suddenly, Broger's horse, rattled by the confrontation, careers off course, leaving a relieved Moro to cruise to victory.

"When it comes to the test, it is more important to be a skier than a jockey when you are skierjoring," said Moro, director of the St Moritz ski school, who had already won the Credit Suisse Skijoring Trophy four times.

The sport of being towed on skis behind a horse was invented by the Scandinavians. But it arrived in St Moritz as early as 1905. Although just pipped as this year's champion by Czech Bohdan and Arabian Star, Moro is the world's most successful exponent. He has such a following in Switzerland that, with his blond hair and good looks, he is called the Robert Redford of skijoring. Moro has won eight out of 14 races, mainly on Sacred Number.

Skijoring is the most popular event in the St Moritz White Turf meeting, which includes horse racing and pony-and-trap events, all held on ice. Special flat nails in the horses hooves enable the animals to keep their footing at speeds in excess of those achieved on conventional turf.

Earlier, Princess Caroline of Monaco and friends had arrived in a private helicopter. King Carl Gustav of Sweden is also in town - not just for

White Turf, but also to attend the annual gourmet festival in which eight chefs from around the world cook special meals at the resort's most celebrated hotels.

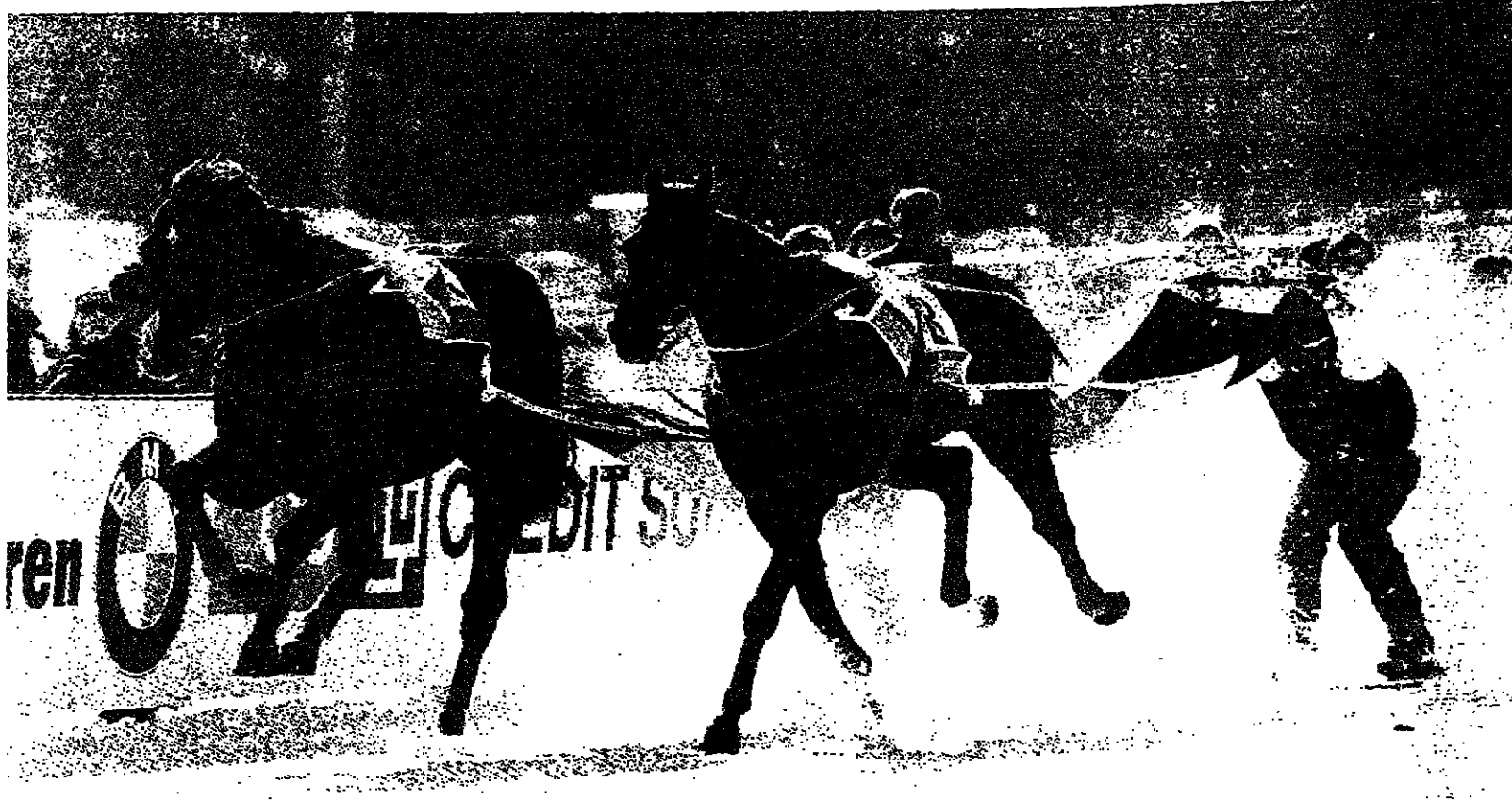
As luck would have it, we dined at the Badrutt's Palace, where the guest chef was Willi Elsner, executive chef at London's Dorchester. Most of us opted for the pan-fried escalope of sea bass with zest of limes and coriander served with silver-skin onions and Chinese greens (FF56).

Although the over-powerful Swiss franc has deterred many British visitors - the Ski Club of Great Britain representative was bemoaning the lack of Britons - English is still spoken widely.

But with the price of practically everything sky-high, you can hardly blame British skiers for looking elsewhere, particularly across the border to Italy.

Word has it that bolshevik teams from Romania and Poland smuggle caviar into St Moritz in their sleighs in order to sell it at a profit to fund their hotel bills.

The rich and famous still come, of course, but even they appear to be on the wane. "I used to ski regularly with



Skijoring in St Moritz: "When it comes to the test, it is more important to be a skier than a jockey"

queens and movie stars," said Jacques Savay, our amiable instructor. "Last year I skied with Robert de Niro and Silvio Berlusconi, the former Italian prime minister, and that was about it. They were staying at the Shah of Persia's old house."

Meanwhile, back on the frozen lake, the soothing bells of the village church were struggling to be heard above the

White Turf big bands: one, from Lucerne - kitted out in devilish black gothic-cum-Hell's-Angel attire - belted out strident carnival music, while the Orphans, a British band from Weston-super-Mare specialising in "authentic 1950s soul music", drowned the bells completely.

"If you want to dance, or anything, just freak out," urged the lead singer, Chris

Rowa. Some Britons, at least, were alive and well in town.

Their absent compatriots might not recognise the resort if they return. Skiing has taken on a new look in St Moritz, particularly on the sunny slopes of Corviglia. Many new lifts have opened in the last year or two, giving the tired uphill transport system a state-of-the-art appearance.

The new Marguns "trails flours" chair is Switzerland's first six-seater. There is also a new quad up to Curtinella at Corvatsch, and a new cable-car at Lagalb-Diavolezza (Pontresina).

Certainly the traditional visitors to St Moritz before it became a winter sports resort would be surprised. At the turn of the century people came here mainly to take the waters. Indeed, one visitor in

1916 reported: "The water was very healthy; spouse, maid and dog all became pregnant!"

"I hope it doesn't have the same effect on us," said the public relations woman in charge of my journey. Arnie Wilson flew with British Airways to Zurich and travelled by Swiss Railways to St Moritz. He stayed at the Hotel La Margina courtesy of Credit Suisse Private Banking.

A new season is opening and work done now will be blessed throughout the year. We are supposed to look forward with optimism but, more and more, I think that most of our gardening books and catalogues lie

Naturally, they do not intend to be duplicitous. I think they suffer from Walden's Virus instead. It is not that they are duplicitous; they merely omit facts which they must know well and then tell us what is necessary to keep us happy.

What they omit is the constant presence of death and disappearance. We all lose a high proportion of what we plant, but we read and write as if it lasts for years.

Perhaps this illusion sets our ideals. Certainly, it does not prepare us for what we ought to expect. My mind's eye is full of new hopes for the next three years, but they are also tempted by encroaching experience. I am reassured to find that I am in the best company. The same experience dogged the gardeners who made the loveliest garden in Britain.

No garden will be more visited this year than Sissinghurst in Kent, former home of Vita Sackville West, the writer, and politician Harold Nicolson. The thousands who admire its beauty may be deceived into thinking that it is a one-way tale of success and continuity. If so, they should read Tony Lord's new book, *Gardening at Sissinghurst* (Frances Lincoln £25, 168 pages).

The photographs are outstanding. The text is instructive because it derives from close discussion with head gar-



Sissinghurst, from Tony Lord's beautifully illustrated new book

deners since the Nicolson died. It is an excellent guide to the present contents of this matchless garden but it is particularly telling because it describes so many of the changes and the failures.

Admirers of the White Garden may not realise that it began life with several almond trees, all of which have had to be removed. The beautiful pergola in the centre of the garden is a posthumous addition, con-

Gardening / Robin Lane Fox

Remember the death factor

"eternal problem of iron garden structures". No book forewarns you but in summer they become too hot for plants and in winter they can chill them, a disadvantage which I have learned the hard way.

In a typically neat article, Sarkville West once compared gardening with infant mortality in the Middle Ages. Lord makes sparing use of her writings and conveys less sense of her genius than I would expect.

She had, however, anticipated the running sub-theme of his splendid book: gardens die and change, even the best, and the best gardeners are those who do not lose heart.

The lilies have vanished from her Rose Garden since 1959. So have the 12 malus with purple leaves, which used to be its unexpected trees. Many of the roses would have vanished, too, but for the energetic mulching by her two inspired successors, Pamela Schwerdt and Sibylle Kreutzberger. During more than 30 years, they improved and developed the original vision and all visitors owe them a lasting tribute.

Not even Pam and Sibylle would expect to stop the change and decay. The celebrated sweep of polyanthus under the nut trees fell victim to brown root rot and red core disease.

The herb garden has always been too cold to grow proper

basil. The lovely white Poppy of the Dawn was naturalised but it ran out of control and became a dreadful menace. Rust continues to attack the mallows and small mites assault the Michaelmas Daisies.

Sarah Cook, the head gardener, continues to move, replace and eliminate plantings which fall or die. When we visit, we are so easily

deceived that this garden goes smoothly and never deteriorates because its maintenance is so brilliantly upheld. Visitors like to say how they wish that they, too, could have such a place for themselves. The gardeners have always enjoyed the irony.

Lord's book is the first, full guide in print to the many changes made to this jewel of British gardens in private and

public ownership. I have enjoyed it immensely, although you might think that this particular garden allowed nothing new or significant to be added to its many writings.

I have enjoyed his survey for another, topical reason. We are all setting out for a new spring, old and new gardeners alike. New gardeners have dreams and high aspirations which nature will batter and spoil.

Old gardeners ought to know better but they, too, have moments of expecting perfection which they will never attain.

One moral would be to scale down and give up in the face of realism. Another is to disbelieve the handbooks and accept that a high level of failure is part of the business. Our greatest garden and its chain of great gardeners support this second conclusion. They also support the one which matters: when something fails, start all over again and never lose heart.

The best gardening relies on resilience in the face of mistakes and natural wastage.

Fishing / Tom Fort

An odious technology

Am I simple-minded in believing that fishing should be a simple business? To me, it involves standing, sitting or kneeling beside, in, or on a river, lake, pond, canal, or sea using a rod, to propel a bait or lure in the direction of a fish; and turning a winding device, namely a reel, to extend or retrieve the line.

Within these boundaries, let human ingenuity play. I can admire and delight in the precision and delicacy of the latest rod, and in the engineering genius which informs the most advanced reel. I like my flies to be of the best, my floats to look pretty, and the rest of the necessary gear to be serviceable and sound.

But when it comes to the exploitation of technology to lower the odds in the contest with the fish, my Luddite proclivities are aroused. Take the fish-finder, for instance, which bounces signals around to tell you where the fish are lurking.

The usefulness of this gadget in deep waters is self-evident as I found when fishing a monstrous river in Brazil a couple of years ago.

But even then it struck me as not playing the game. What if the fish had an angler-finder, I wondered? The sport would be finished.

when I was a lad I had a little bell which was fixed to the end of my rod for night fishing.

The theory was that it would tinkle when one of the carp in the old moat took the worm. Theory it remained, for the carp never did take the worm.

By then the electric bite alarm held sway among more sophisticated types. Never having had one, and remembering nothing of Ohm's Law or any other physics, I could not tell you how it works. All I do know is that you attach it to your line and, when a fish bites, it emits a nasty noise.

This is bad enough. But I recently read in one of the angling papers of an odious refinement. It is a paging system, a bit of plastic which you pop in your pocket, enabling you to pop off to send a fax or consort with your mobile until a beep tells you a fish has turned up.

The author of the article urges restraint. He deprecates going down to the pub, and maintains that the gentle music of the pager is more sociable than the cacophony of antiquated buzzers.

halt progress, if that is what you call it. To me it is all conjures a vision from hell, of a techno-angler bent over his bankside laptop receiving a printout distillation of means to achieve the target's downfall, then programming his integrated system of rods; while the fish, poor creature with its pea-sized brain,



swims towards nemesis.

All this nonsense is written by, and on behalf of, a section of obsessive, technology-mad carp anglers. To them, this is not a sport but a religion. They do not nip out for a couple of hours fishing. They camp beside their chosen lakes, whose locations are kept as secret as the headquarters of the Aum cult, for days and nights at a time.

To be accepted as a true devotee, you must be a chemist, to prepare the high-protein baits; and an

engineer, to understand the dynamics of equipment designed to hurl your bait up to 100 yards.

You do not talk of a nice fish of 10 pounds, but of 20s, 30s and 40s.

The man with the pager is clearly a high priest. Elsewhere he exhorts his followers to become better anglers by using compasses, maps and barometers. Their first task, he intones, is to produce a chart of their lake, showing where the carp are likely to congregate according to the millibar level. "Like us," he says, "carp need to be comfortable in well-oxygenated areas with plenty of food."

If this be progress, give me a loom to break. Or rather, give me a place beside a tranquil lake which has reeds, lily-pads and weeping willows, and is free of buzzers, pagers, meteorological instruments and fanatics.

Give me a rod, reel and line, and a float made from the quill of a swan feather with a crimson tip, and a decent worm or lump of bread for bait. And, as the evening shadows lengthen, or as the sun sucks off the mist at dawn, let the float slide away into the depths, and let me try conclusions with a fine carp. Or let me go home, bleated and fishless. I shall not care overmuch.

LONDON PROPERTY

Luxury apartments

GREENLAND PASSAGE SE16

2-BED DUPLEX APARTMENTS WITH GALLERY

LOUNGE WITH RIVER OR DOCK VIEW

MARBLE-TILED EN SUITE BATHROOM + SHOWER-ROOM

FULLY FITTED KITCHEN

SECURE ON-DECK PARKING

24 HOUR SECURITY OFFICE

24 HOUR SECURITY - NIGHT

GREENLAND PASSAGE LTD, 9 QUEEN OF DENMARK COURT, FINLAND STREET, LONDON, SE16 1TB

PHONE FOR A BROCHURE TEL 0171 237 7113

INTERNATIONAL PROPERTY

LA BAULE-LES-PINS, FRANCE

26 avenue de la Mer

Residential area near the sea

VILLA of character in approximately 1600 sq.m. on 3 levels: dining-room, sitting room, 5 bedrooms, 2 rooms, 3 shower-rooms, 1 bathroom, 2 w.c.

Surface area: approximately 180 sq.m.

Auction sale on 30 March

Set price: 2,600,000 French francs

Visits: Mrs. Bosredon (00 33) 40.11.25.25

Maitre J.-L. Gautier, Notary, 35300 FOUGERES, France

MONTE-CARLO

Supert 6 room duplex apartment next to the beaches, entirely renovated, huge terrace, parking and cellar (253)

MAGEDI

9 Bd des Moulins MC 98000 Monaco Tel 33-92 165 959 Fax 33-93 501 942

FRENCH PROPERTY EXHIBITION

ARRIVING SO EXHIBITION

22ND, 23RD, 24TH MARCH 1996

FR. 11.00 AM TO 7.00 PM, SAT. 10.00 AM TO 6.00 PM, SUN. 10.00 AM TO 5.00 PM

THE SOLIHULL CONFERENCE & BANQUETING CENTRE, PROMER ROAD, SOLIHULL, BIRMINGHAM B91 2DU

Organised by FRENCH PROPERTY SERVICES, 25 Lombard Road, London, SE11 4AA 990

RESERVATION THROUGH A TRAVEL AGENT OR DIRECTLY FROM FRENCH PROPERTY SERVICES

WORLD OF PROPERTY Magazine offers you more choice than any other. So make sure you get your copy. FOCUS ON FRANCE Magazine offers that the widest choice in France. For free copy Tel: 0181 542 9088

BOCA RATON/PALM BEACH FLORIDA

Waterfront & Golf Course Homes. Commercial Invest. Buyer Rep. Bro. Exp. Contact: Flynn Cornejo, Realtor. Fax your Tel & FT card you for details. Fax USA 407 241 8028 Tel USA 407 247 2823.

DETACHED HOMES IN THE USA Priced from £50,000 to £250,000

Major International Builder (a member of the New York Stock Exchange) is annually building 5,000 homes in the warmer climates of the United States.

Select one of these locations for holiday residence or retirement. (Subject to Immigration Regulations)

- Florida - The Land of Disney, Sun and Beaches
- Georgia - Atlanta - Home of the 1996 Summer Olympics
- South Carolina - Charleston, Columbia, and Myrtle Beach - History, Beaches & Golf
- North Carolina - Charlotte & Raleigh - Business, Industrial, & Medical Research Center
- Tennessee - Nashville - Country Music, Capital of the World
- Texas - Dallas & Houston - "The Lone Star State"
- Arizona - Phoenix - The Valley of the Sun
- Nevada - Las Vegas - The Casino Capital of the World
- California - San Diego to Sacramento - Most Climate

USA mortgages are available with only 3% - 30% deposit. Low interest rates!

Ask about our unique Fly-Drive-Buy programme where we arrange your trip, meet, greet, and accommodate.

For further information, call Ms. Claire Morgan in our UK office at 01244-782351

ALL FRANCE "The Home-agon". Full colour magazine 100s of French properties. For free copy tel or fax 01497 831771

COSTA DEL SOL PROPERTIES Marbella Offices. For Information & Price list ring 0181 903 3781 anytime Fax 3559

In the Maldive cora paradisi

Avoid the Walk

SAVILLA

PROPERTY

In the Maldive coral paradise

Gerald Cadogan finds a getaway island in the Indian Ocean

Besides the gentle lapping of the sea on the beach of white coral sand, the only sound outside one's room is a rustling as the wind stirs the fronds of coconut palms.

This is the Indian Ocean tropical island of *Kunfunadhoo* in the Maldives where Soneva Fushi, a small luxury resort, opened last autumn. It has 42 rooms (some of them free-standing small houses) and will eventually have 66. Ten three-bedroom villas are also being built to buy.

Soneva Fushi (*fushi* means floating island) has the coral island to itself. A quarter of a mile wide and just under a mile long it is, surprisingly, the largest island in the Maldives.

The palms are not the only thing to make a rustling noise. The island is full of rabbits and chickens and wading birds. The only predator is a lazy cat, which finds enough to eat at the kitchens. There are no poisonous snakes or malarial mosquitoes. But the island has some ordinary mosquitoes, no worse though than in the Mediterranean, and lots of chameleons.

The Maldives are 1,189 islands in 26 atolls stretching more than 500 miles across the Indian Ocean. Most are uninhabited. From the air the reefs show up as pale blue-green against the dark blue of the deep ocean. Some islands have vegetation, some are just sandbanks. The coconut palm is the national tree.

It is a long journey to the Maldives, usually via Dubai or Colombo. Most holiday-makers cram into the first resorts developed about 15 years ago. The airport is a boat ride from Malé, the capital. It has one ancient mosque, schools, a good public garden, boatbuilders'

quarter and bungalows from the days when the islands were a British protectorate.

Soneva Fushi is different from the other resorts. It offers the luxury of space since, even when the building programme is complete, there will be hardly more than 200 people (including staff) on the island.

Among the palms and tropical scrub, it is easy not to see anyone else, while the 40-minute journey from Malé, with Hummingbird Helicopters, gives the luxury of distance. As the helicopter rose for the return trip, we looked down on a whale plunging through the ocean.

It is hard to find a more refreshing change. Pack few clothes, lots of books and forget the rush of urban life. But if you cannot survive without outside stimulation, the hotel loans out videos and CDs - your own desert island discs. Or take a *dhooni*, the Maldivian boat, to try another island for a picnic, or go scuba diving or snorkelling to view the marine life. There is plenty of it in the dining room. Fishermen bring in a hefty catch each day.

Soneva Fushi is the child of Sonu Shivdasani, a 30-year-old Indian, who started the idea in his last year reading English at Oxford. With Eva, his Swedish wife, he has created a rare resort of sophisticated and luxurious simplicity.

The chunky 1950s-style furniture, imported from Bali, in bamboo and plantation teak, is solid comfort. Swept areas around the rooms bring the reassuring sense of order in the wilderness.

My semi open-air bathroom had its own private walled garden. The bed was a four-poster in bamboo with roll-down mosquito netting. Somerset Maugham, here we go.

The 10 villas will have the same furnishing but can be split up into



Island in the sun: palms but hardly any people

three units, or enjoyed as a whole. This allows buyers to let some or all of their rooms in co-operation with the hotel. That is essential. The island is not big enough for separate enterprises, particularly as everything has to be brought in - and crises of delivery can occur at any time.

Fruit and vegetables are imported from India, Sri Lanka and Australia. The house wine is from Chateau Galoupet. Shivdasani's vineyard in Provence. The villa owners will also depend on the hotel for electricity and water, which is desalinated.

As foreigners may not own

freeholds in the Maldives, the management company, Soneva Pavilion Holdings, has devised three packages. If you buy a 20-year lease on a villa for \$1.45m (£940,000), it will be repaid at the end of the term.

You can put up less money, \$1.15m, for no repayment in 20 years' time or, alternatively, pay only \$750,000 if you are willing to guarantee that the hotel can use the villa for nine months a year and keep all the revenue. In effect, one is buying three months of holiday for the next 20 years.

With the first two schemes, the hotel will let out the villa (or its

rooms) on request, and intends to charge \$20 a day per room for owners in residence for electricity, laundry, etc, and an annual maintenance charge of \$1,000 index-linked for labour, with materials at cost price on top. That includes re-thatching the roof with coconut fronds every two years and repainting every three years.

Gerald Cadogan flew with Emirates and Hummingbird Helicopters. Inquiries about the villas: Soneva Fushi (00960-230304); Soneva Pavilion Hotels & Resorts, Bangkok (00662-254 4775); Zenith Global Partners, London (0171-371 3900).

The hotel will arrange food and

Cadogan's Place People in glass houses

A late Victorian glasshouse is an exuberant alternative to cottages. A two-acre walled garden at Sherfield on Loddon, near Basingstoke, Hampshire, is for sale at £250,000.

Its highlight is a cast-iron and timber-frame palm house with adjoining vine houses, built in 1898 by Messenger & Co, horticultural builders, of Loughborough. Few such glasshouses survive, most falling into disrepair during the first world war.

Today, the Sherfield horticultural paradise is in fine condition - thanks to the vendor who has a passion for glasshouses. It sits inside the 12ft high wall of the old kitchen garden of Sherfield Manor (now North Foreland Lodge school).

The owners have restored the original wide gravel paths and modernised the old bothy - accommodation for the gardeners - into living space with three bedrooms.

The agent is John D Wood in Winchester (01962-863131).

A similar two-acre Victorian walled garden in Surrey, called The Gardens at Cranbury Park near Capel, is on offer at £300,000. It has a further two acres *extra muris* and another converted bothy (five bedrooms). The glasshouse is less flamboyant. Inquiries to Browns in Cranleigh (01483-267070).

Knight Frank's index of country house prices is based on three main types: cottages; five- to six-bedroom farmhouses with five acres; seven- to eight-bedroom manor houses with 15 acres.

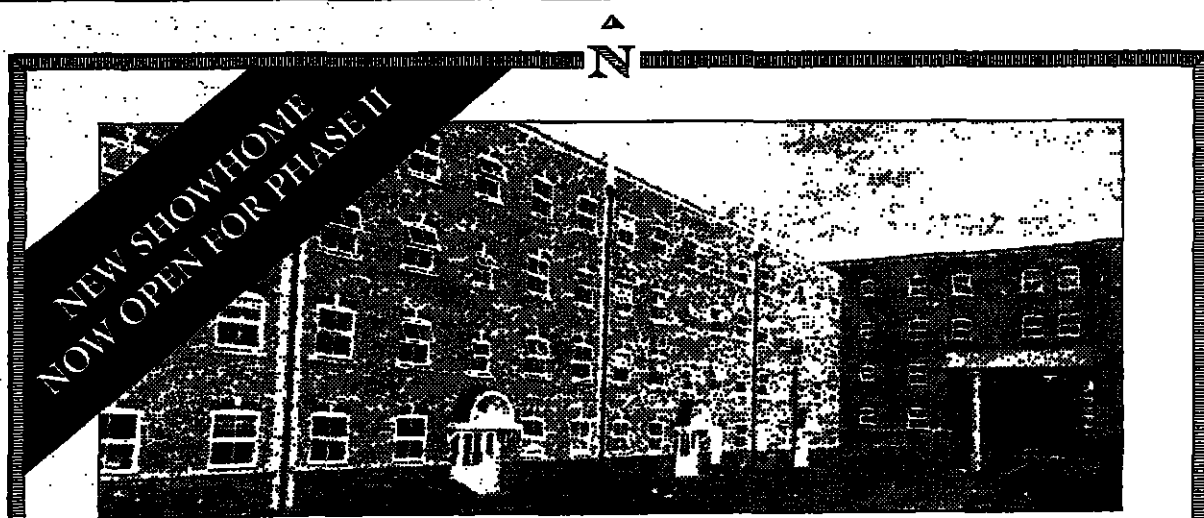
At the end of 1995, the most expensive manors were in east Berkshire (£1.75m) and dearest farmhouses in north Surrey (£700,000). Cheapest manors were in Wales (£250,000) and farmhouses in Wales and Scotland (£200,000).

In the home counties, Buckinghamshire, Kent and Sussex still offer manors for less than £1m.

Regional fluctuations in prices, even between adjoining east Berkshire and north Surrey, suggest it is wise for buyers to look beyond their main target area.

G.C.

LONDON PROPERTY

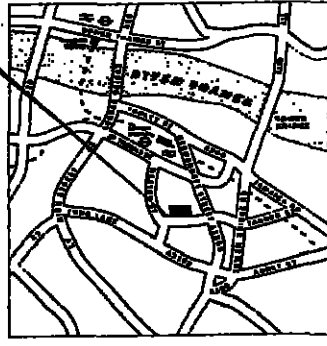


Avoid the rush hour. Walk to work.

Leathermarket Square SOUTHWARK

This prestigious development in SE1 is proving to be so popular that Phase II has just been released. Leathermarket Square offers a choice of superb high specification one, two and three bedroom apartments.

- Specification includes:
- Victorian style sanitaryware
 - Video entry phone system
 - Secure parking
 - 10 year NHBC guarantee
 - Fitted kitchens with integrated appliances



- One bedroom apartments £79,950
 - Two bedroom apartments £99,950
 - Three bedroom apartments £116,950
- Sales centre open daily 10.30am-6pm
Telephone: 0171 378 8274

BELLWAY HOMES

EVERY LOCATION IS UNIQUE. EVERY HOME DIFFERENT

Bellway House, London Road, Merstham, Surrey, RH1 3JU

CHISWICK RIVERSIDE, W4

Elegant selection of 5 bed, 4 bath Georgian style houses and 2 bed apartments, designed to a very impressive standard, many with river views. Access to West End and Heathrow via A4/M4.

- 2 Bed Apartments from £199,950
- 5 Bed Houses from £399,950

DIZ Debenham Thorpe Residential

BLOOMSBURY, WC1 New News House, Bloomsbury/Clarendon border. 1800 ft³ beds, 3 baths, 2 reception, lift/drop, 2 terraces, Garage, High Spec 10 yr NHBC guarantee. £395,000 Bernard Marcus 0171 836 2736 Fax: 0171 436 2649

BATTERSEA RIVERSIDE, SW11

Award winning selection of 2 and 3 bed apartments, virtually all with balcony/terrace with river views. Video entrance systems and CCTV in secure parking, 999 year leases and NHBC.

- 2 Bed Apartments from £170,000
- 3 Bed Duplex £450,000

Belgravia Office: Tel 0171 235 8088 Fax: 0171 823 1013

AARON AND LEWIS estate agents of Kensington always rent the best homes to the best tenants. For enquiries on rentals, sales or property management 0171 244 9911 Fax 0171 244 9836.

COUNTRY PROPERTY



AN OUTSTANDING AGRICULTURAL AND SPORTING ESTATE WITH THE OPPORTUNITY TO BUILD A PRINCIPAL HOUSE
Grade II Listed Village House.
4 Cottages, Lordship of the Manor.
In all 915 acres (370 hectares)

Strutt & Parker London office: Tel: 0171 629 7282 and Salisbury Office: Tel: 01723238741 Ref: 78B/1150

TWO WORDS ABOUT QUALITY... LEDBURY MEWS



Substantial Mews Houses in Notting Hill Gate

Seven 3 bedroom newly built houses set in a secluded mews in the heart of a conservation area.

From £405,000

SHOW HOME NOW OPEN

REGALIAN

Sales Office 0171 221 4233

FISHING

COTSWOLDS FISHING RIGHTS 820 yards approximately double and single bank trout fishing on the rivers Windrush and Ouse. Sale by Auction 24th April 1996. Details: Bourne Knowles Telephone: 01285 650 808.

INTERNATIONAL PROPERTY

MIAMI BEACH FLORIDA, U.S.A.

Two exquisite waterfront properties, each two lots combined, on Star Island, an exclusive luxury setting, reached by a causeway.

A two-acre waterfront property on Indian Creek Island, one of the finest and most secure residential enclaves of the Americas.

PORTOFINO REALTY INC.
446 Collins Avenue
Miami Beach, Florida 33139
TEL: (305) 532-2519
FAX: (305) 532-4678

SWITZERLAND

Lake Geneva & Mountain resorts
You can own a quality APARTMENT/CHALET in MONTREUX, VILLARS, LES DIABLOTES, LEYDIN, GRAND VALLEY, CRANS-MONTANA, VERBER, etc. From SF: 200,000 - Credit facilities
PREVAC S.A.
52, rue de Montreux - CH-1211 GENEVA 2
Tel: +41 22 774 15 40 - Fax: 734 12 20

FRENCH PROPERTY NEWS Monthly old, new & all properties, legal column etc. Ask for your FREE copy now Tel: 0181 947 1834

GUERNSEY Shuttles & Company Ltd. 4 South Esplanade, St. Peter Port. One of the island's largest independent Estate Agents. Tel: 0481 714443 Fax: 0481 710811

DEVELOPMENT OF 13 APARTMENTS • PIMLICO, SW1 •

SPACIOUS 2 BEDROOM FLATS FROM £185,000
125 YEAR LEASES
LESS THAN 200 YARDS FROM VICTORIA STATION
EXTRA STORAGE FOR EACH UNIT
PASSENGER LIFT • HIGH FLOORS AVAILABLE

CLUTTONS 0171 834 4771

SAVILLS 0171 730 0822

FERRAS ASSOCIATES LIMITED
PRIME PROPERTIES OF PRIME PLACES
COMPREHENSIVE SERVICE FOR INDIVIDUAL AND CORPORATE REQUIREMENTS FOR FURNISHED/UNFURNISHED RENTALS.
TEL: 0171 899 7322 FAX: 0171 490 4415

BARBICAN 822 Cheap 2nd Floor 1 bedroom flat. 18 Reception 1875 bedroom. Office: 280,000. Bernard Marcus 0171 836 2736 Fax: 0171 436 2649

BUYING FOR INVESTMENT OR OCCUPATION? We will find the best opportunities for you. MALCOLM WALTON INTERNATIONAL 0171 493 4291

BLOOMSBURY WC1, 3 beds, 2 baths flat. 1st, 2nd & 3rd floors, roof terrace. FH £325,000. Bernard Marcus. Tel 0171 836 2736 Fax 0171 436 2649

BLOOMSBURY WC1, 2 Bed flat, 8th (top) floor. His, porch. £145,000. Bernard Marcus, Tel 0171 836 2736 Fax 0171 436 2649

LONDON RENTALS

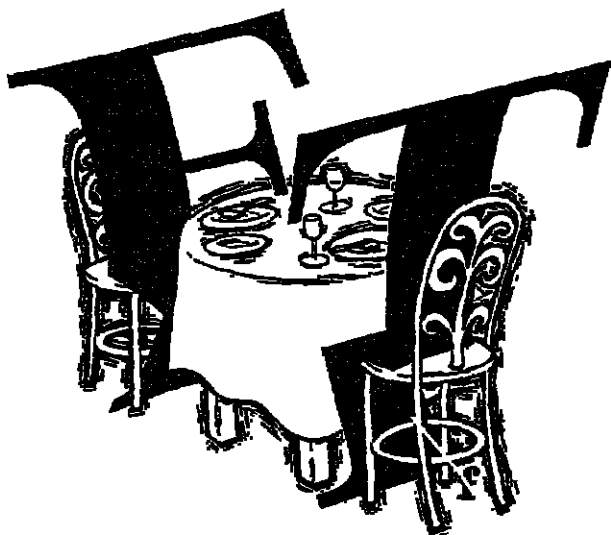
KENSINGTON/CENTRAL LONDON, Largest selection of quality properties. £180-£1,800 p.w. From 3 wks to 3 yrs. Chard Associates 0171 792 0792. 10-7pm

FOOD AND DRINK

Lunch for a Fiver

Winners and losers in a fun fortnight

Nicholas Lander assesses the FT's 1996 restaurant promotion, when readers braved even blizzards in search of good value meals



Lunch for £5

1. St Olaves' Court Hotel, Exeter, Devon (01392-217736)
2. The Marsh Goose, Moncton-in-Marsh (01608-652111)
3. Summer Lodge, Evesham (01935-63424)
4. The Punch Bowl Inn, Crosswells (015345-68237)
5. Pommeroyes, London SW1 (0171-423 6562)
6. The Blenheim, London NW8 (0171-425 1222)
7. Clos du Roy, Bath (01225-444453)
8. George & Dragon, Rowley (01380-723053)
9. Four Seasons, Dyfed (01287-292238)
10. Percy's, Harrow (0181-427 2021)

Lunch for £7.50

1. Bryn Howel Hotel, Llangollen, Wales (01978-860331)
2. The Wife of Bath, Wye (01233-812232)
3. The Old Forge, Sturminster Newton (01933-743402)
4. Gidleigh Park, Chingford (01847-432367)
5. Fleur de Sel, Haslemere (01428-351462)
6. The White Horse Inn, Chilgrove (01243-535219)
7. Adlard's, Norwich (01603-633522)
8. James, London WC2 (0171-405 9749)
9. Vintners Rooms, Leith (0131-534 6767)
10. The Queensbury Hotel, Bath (01225-447828)

Lunch for £10

1. Hartwell House, Aylesbury, Bucks (01296-747444)
2. Hambleton Hall, Hambleton (01572-756991)
3. Winterringham Fields, Winterringham (01724-733099)
4. Gidleigh Park, Chingford (01847-432367)
5. Fleur de Sel, Haslemere (01428-351462)
6. Leith's, London W11 (0171-229 4481)
7. Hollington House, Woolton Hill (01635-255100)
8. Bulloch's at 116, London W1 (0171-499 3484)
9. The King's Head, Mingeio (01296-658888)
10. The Pink Geranium, Melsbourn (01763-260215)



Owner Gianfranco Parola (left) head waiter Jonathan Adams (right) and head chef Terry Shaw get in to the spirit of the FT's lunch promotion at the Café Grazzielle, the Cock and Rabbit Inn, Buckinghamshire

Since the beginning of this year's Lunch for a Fiver, the FT's UK restaurant promotion, my mailbox has been bulging with questionnaires, letters from restaurateurs and perceptive reviews from readers.

According to reports from British restaurateurs as far apart as David and Rona Pitchford of Read's, Kent, and Andrew Hetherington, of Fairyhill, Gower, near Swansea, FT readers were prepared to travel for up to 1½ hours in search of the best value lunch.

Two new themes have emerged from this year's promotion. The first is the sense of fun and good humour that prevailed, with a few exceptions, throughout the 340 participating restaurants.

For example, at the Café Grazzielle, in the Cock and Rabbit Inn, Buckinghamshire, proprietor Gianfranco Parola had his bar staff and waiters wearing T-shirts emblazoned with "No FT, No Comment" and tablecloths were made from the newspaper.

At the two-month-old Buckby Cobbler, in Northampton, Martyn Russell offered FT hunchers a voucher for a free bottle of house wine if they returned for dinner in February.

Shiri and Roger Berman, who describe themselves as "gaffers" of Jack Fuller's, Brightling, East Sussex, faxed: "We've had a fivefold increase in business thanks to the FT. But today we've had 6in of snow so all tables were cancelled. We will, therefore, carry on the promotion a further week in accordance with our customers' wishes."

Michael Golowitz, chef/proprietor of September Brasserie, Blackpool, said that covers served had been 100 per cent, adding: "Takings not quite the same but the effect on future business is incalculable!"

Barry Phillips, at The White Horse, Chilgrove, near Chichester, reported that they were about to close for their annual February holiday "...with an empty larder and a full bank account. It's good for the soul to be so wanted and needed in the

country in January." Similar sentiments, too, from Marcus Leaver, proprietor of The Blenheim, London NW8. He reported that the ham hocks served on their £5 menu had been such a runaway success that one man arrived to order 60 for a party in two months' time and paid cash there and then.

The other obvious theme is that FT readers are, rightly, demanding and keen to put the restaurants on their mettle to ensure they get the best value for money.

One reader in London EC4 gave a detailed account of her lunches at the River Café, W6, Leith's W11, and Adlard's, Norwich, followed by a blanket criticism of them all for neglecting vegetarians.

She pointed out that not all FT readers are ex-public schoolboys who have never enjoyed anything except meat followed by pudding. She put forward a five-point proposal to ameliorate the vegetarian's lot.

The letter ended happily, if incongruously, by saying: "Adlard's managed to produce the best lamb and the best pud-

ding we had ever eaten and we still felt a warm glow that evening despite a two-hour drive through a blizzard."

Several readers and restaurateurs wrote wondering why their particular part of the country had been under-represented and one kind reader in Cornwall even took the trouble to tear the restaurant section out of his Yellow Pages and send it to me.

The responsibility for this is mine. However, it is difficult to find restaurants of the right standard, outside city centres, which are open in January and early February. Any nominations or self-nominations for next year's promotion will be gratefully considered.

So to your questionnaires and the results. We received 13,900 replies split equally among the three price categories, an increase of 10 per cent on last year.

In spite of the total number of participating restaurants - 163 in London and 182 outside - all the winners, the top three places in each category, have been won by restaurants outside the capital.

Of the top 30 restaurants nominated by FT readers, only seven are within London. Are London restaurant-goers less keen on filling in questionnaires or are there still many unreturned forms lurking in business suits or even dry cleaners? Or do London restau-

The top 10 in the £7.50 category contains four restaurants from last year's top 10

rants' higher fixed costs impose constraints? One thing is clear: excellent cooking - and value - is available nationally.

From the reports it was clear that all 10 restaurants listed in the £5 category offered great value and I can only feel sorry

for The Marsh Goose, which has come second last year and this.

At the end of the first week, Raymond Wyatt, proprietor of St Olaves' Court, wrote in haste confessing that when I originally conceived of Lunch for a Fiver in 1993 his reaction had been to throw my letter in the bin.

Not his scene, too New York, he confessed. Now a convert, he has used the FT Lunch for a Fiver menu to market his hotel. He added: "I have stayed with the £5 lunch as I believe this gives the greatest challenge to the chefs. Buying has to be particularly keen and imagination on menu planning more relevant. It is a challenge to the whole team."

The top 10 in the £7.50 category contains four restaurants from last year's top 10 - The Wife of Bath, Adlard's, The Vintners Rooms and The Old Forge - a tribute to their continuing value for money.

For The Bryn Howel Hotel, which pushed last year's winner, The Wife of Bath, into second place, this is its second FT award - last year it won

the £5 category. Proprietor John Lloyd and his staff have been rewarded not just with first prize but with an even bigger increase in business - they served one more FT customer this year!

Head chef Alan Maw and his team at Hartwell House, Aylesbury, must have been cooking inspirationally during the FT fortnight. Not only has this restaurant won the £10 category at its first attempt, but it has also beaten four of the nine Michelin-starred restaurants who took part this year.

Although the £10 category may not impose the constraints that cooking a £5 or £7.50 menu does, the £10 category in many cases provides the biggest savings for the FT reader - up to 70 per cent or 80 per cent on food bills.

The mailbox is not all enthusiastic and readers have shown no hesitation in expressing their disappointment at some of the meals and service they have been offered, particularly at the Hole in the Wall, Bath, and Ma Cuisine, London.

Two letters, however, gave

me great pleasure. The first came from a reader who had used one of his three FT lunches to meet a clerical friend and sort out a pile of theological cuttings from the FT.

The second came from Richard Binns, who has written several guides to eating out in France involving visits to 1,500 restaurants in search of the best price/quality ratio. Wearing his professional hat, Binns set off not just to judge two restaurants - The Emerson Dining Room, Darlaston, in the Black Country, near the M6, and the Penhelig Arms, Aberdovey, Wales - but also to scrutinise the principle of the FT promotion.

He described The Emerson as a "Tardis of surprises with fine silverware, crockery, crystal and fresh flowers...and a chef with a sure classical hand", and lunch at the Penhelig Arms as "culinary largesse". He ended by wondering which French restaurant today could offer the same value with a Ffr40 menu?

I must now open my file for Lunch for a Fiver 1997.

Dame Edna Everage, the megastar housewife, once confided in one of her television programmes: "I'm very health conscious, I only eat things with cottages on the packet." The irony was lost on the guest she addressed, Linda McCartney, if memory serves me right.

Joanna Blythman would have relished the remark, laughed and rejoined with her own list of the most over-worked foodworking images and words: "Farnhouse", "heritage" and "natural" would, I feel sure, be among them.

Blythman is a food journalist who has brought out a book that looks set to enhance her reputation further. The *Food We Eat* is an illuminating guide to the way food is produced and marketed in the UK. It aims to - and succeeds - in giving the consumer the background knowledge needed to make informed choices about what to buy and eat.

Carefully researched and honestly reported, it is richly informative, a model of clarity and brevity - and eminently readable. No pious whingeing, no aggressive proselytising, no overstatement of case. Blessed with fine writing ability and a fine palate, she is concerned about every aspect of eating well - the pleasures of the table, the textures and tastes of high quality foods, as well as food safety, good husbandry and animal welfare.

Much of what she reveals is

disquieting, some is encouraging, none of it is boring. She unravels the clues needed to decode labelling (explaining, for example, that Scottish smoked salmon and smoked Scottish salmon are as different as a chestnut horse and a horse chestnut).

She gives guidelines on recognising ripeness, offers the best descriptions of the raising of barley beef versus suckler beef that I have come across, introduces the chilling worlds of genetic engineering and the irradiation of foods, and much more.

Throughout the book she follows, to the letter, the advice she gives readers at the beginning: be wary of bland, meaningless assurances - recognise them for what they are and search out hard information.

I applaud the fact that this is a paperback original and so modestly priced. My only quibble lies with the subtitle "the book you cannot afford to ignore", which has for me a faintly goody-goody ring to it.

Do not believe that Joanna Blythman and Patricia Hegarty have met. They ought to for they both share a passion for good ingredients that

taste truly of themselves.

Let Blythman loose in the one-acre walled kitchen garden at Hegarty's Herefordshire home, Hope End, and she would be in seventh heaven. For the fruits, vegetables and herbs that thrive in that organic haven are varieties chosen for their fine eating qualities, many of them old-fashioned varieties too labour intensive or low-yielding to find commercial acceptance.

Hope End was the childhood home of Elizabeth Barrett Browning. It must be the most magically located small country house hotel in all England, a verdant and tranquil spot to which its devotees make regular pilgrimages.

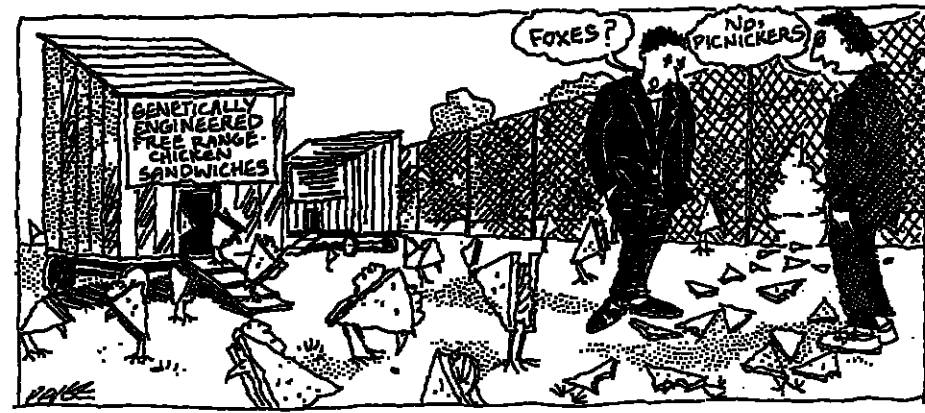
Hegarty's unpretentious brand of English cooking makes splendid use of her fresh garden produce. It features home-made breads, biscuits and preserves, and depends on foods bought in from outside being chosen with the same care as is devoted to those grown on the premises.

Last year Hegarty finally gave in to pleas to allow guests occasionally to join her in the kitchen, to observe her philoso-

Cookery / Philippa Davenport

Choice cuts from an informed voice

An illuminating new guide shows how what we eat in the UK is produced and marketed



phy in action so to speak. glean cooking tips and recipes. This year a few more opportunities are planned - three-night stays with guests invited to arrive in time for tea on Tuesday and to depart on Friday after breakfast, to include three half-day sessions in the kitchen and one in the walled kitchen garden.

Recipes for spring are the subject scheduled for March 5-7 inclusive and March 19-21 inclusive. There will be one course on cooking with herbs (June 4-6 inc) and two devoted

to autumnal recipes (November 13-14 and November 19-21 inc). Prices are £350 a participant and £161 for non-participating partners.

Look out, too, for contributions by Patricia Hegarty and John, her husband, to *Fruity Stories*, a Channel 4 series on growing, storing and serving fruit due to be transmitted this month.

HEGARTY'S WHITE FISH MOUSSELINE FOR TERRINES AND QUENELLES 700g fillets of brill, halibut, monkfish or whiting; 6 egg

whites; 225ml double cream; plenty of grated nutmeg.

Cut the fish into 1in squares and process it until smooth. Add the egg whites and whizz again with a generous seasoning of nutmeg and a little salt. Pour on the cream and whizz only as long as it takes to incorporate the cream (if processed for long the fishy mixture will turn buttery). Cover and chill until needed.

FISH TERRINE WITH SPINACH & PRAWNS (serves 12-14) White fish mousseline mixture

(as above); 6-10 fresh spinach leaves, depending on size; 125g prawns (cooked and shelled weight); herb vinaigrette for serving.

Line a terrine or loaf tin of 1.2 litre capacity by laying a broad strip of Bakewell paper across the container and pressing it down so it covers the base and both long sides. There is no need to bother about lining the short ends.

Blanch the spinach leaves for two minutes in boiling water to make them supple. Drain, pat dry and lay them in an overlapping row on a board.

Whizz one-fifth of the basic terrine mixture with the prawns. Shape the pink mixture into a long sausage, lay it on the leaves and roll it up in the greenery.

Put about half the remaining white fish mousseline mixture into the terrine, making a slight hollow down the centre. Lay the spinach roll in the hollow and pack the rest of the white fish mousseline around and over it.

Cover the terrine with a lid or foil and bake in a hot water bath at 130°C (250°F) gas mark 4 for 45 minutes. It is ready when the top is

firm to the touch. Cool and refrigerate until needed. Unmould and slice for serving with a herb vinaigrette sauce flavoured with, say, tarragon or spring onion and garlic.

QUENELLES OF WHITE FISH

(serves 8 as a first course or 4-5 as a main course)

White fish mousseline mixture, as above; a well flavoured sauce, such as tomato with dill seed for serving, plus a little grated cheese.

Choose a pan with a large surface area. Fill it with water. Just 8cm deep and bring to a simmer.

Shape the chilled mousseline mixture into plump ovals, using two dessert spoons. (The shapes will turn out smoother if the spoons are dipped in hot water between each shaping, but I quite like a slightly craggy effect.)

Drop the quenelles into the simmering water, a batch at a time, and cook for 5-7 minutes. Drain on absorbent paper and keep warm while cooking the rest.

Finish the quenelles in an ovenproof dish with sauce. Sprinkle a little grated cheese over the top and slip the dish under the grill briefly.

The Food We Eat by Joanna Blythman, a Penguin paperback original, costs £7.99. *Hope End Hotel* is at Ledbury, Herefordshire HR8 1JQ. Tel: 01531-633613. Fax: 01531-636366.

FOOD AND DRINK

Wine/Jancis Robinson

Kiwi whites lack distinctive edge

Technically competent, the 1995s - even Cloudy Bay - seems short on concentration

New Zealand wine producers have had a run of bad luck - a series of short vintages followed last year by an extremely wet one. Now there is a chance to assess the country's 1995 whites...

Mighty's Vineyard Chardonnay 1994 is £164.50 a case from Farr Vintners, of London SW1 (0171-828 1960), which also sells New Zealand's most luscious (though not most burgundian) Pinot Noir, Ata Rangi 1994, at £170.38 a case.

Today's generation of artfully packaged fine, pure, water-white, nostril-piercing Italian distillates is perfectly aimed at the fashion-conscious connoisseur.

head honchos to observe "our biggest problem is that we don't believe in ourselves or feel we can't boast about ourselves and our achievements?"

Guado al Tasso, Antinori's toothsome new Cabernet/Merlot/Syrah blend, seems set to become another classic from Bolgheri in the Maremma on the Tuscan coast...

tolerate deferred payment. Inquiries to 0171-435 6310, fax 794 8816. Wine merchants touting special evening tastings include La Reserve of London SW3 (0171-589 2020) which is offering a taste of nine extremely glamorous 1961 clarets for £175 on April 24.

Internet service". It has used "state-of-the-art technology to recreate an on-line, moving image version of their high street specialist wine stores".

Truffle Hunting A new battle: dog versus machine

Chris Wilson enjoys a fresh way of looking for an old delicacy

At £200 per lb in the street market of Lalbenque, near Cahors, in south-west France, the likely location of truffles is a closely guarded secret.

Instead, after a good lunch, I strolled through sunny woodlands with my companion, Pierre Sourzat, who screamed at his dogs, "Putains de chiens, venez ici!"

When I questioned the late start I was told by Thierry Talou, our expedition's scientist: "It's best to look for truffles after lunch."

Talou, quartering a small patch of ground methodically, had agreed to test his device, which uses Aromascan technology, against one of France's top dogs, a mabre frugier called Darius.

Darius was apparently on top form this season, uncovering vast quantities of truffles with ease. He was confident, relaxed, very much the dog on form. In contrast, Talou shivered nervously in his shirt and tie.

"It's only a prototype," he said defensively and put his head down again, moving slowly back and forward, just like a man metal detecting.

We saw him from time to time as we passed from one end of the copse to the other in pursuit of the dogs. Apparently, a top dog like Darius can sniff a truffle at about 6ft in the wind and to a depth of around 5in. Talou has to spend 15 minutes plodding around each tree in turn. The dog has to mark every tree in the wood before he gets serious.

Finally, Sourzat got Darius to concentrate and, for a few minutes, it was a real head-to-head, the pitting and whirring of the detector with its British technology against the snuffing of the dog.

Where to eat truffles

Restaurant Le Baladeur, in Cahors, is reputed to be the finest truffle restaurant in south-west France. Gilles and Laurence Marie, proprietors and chefs, take great delight in their truffle dishes.

Darius, the scientist, from November to March, the restaurant offers a variety of truffle dishes, most spectacularly, a six-course menu entirely composed of truffle dishes at £1450 a person.

For the celebration of Western FT readers, Gilles offers one of his truffle dishes, served with bread, that follows the culinary traditions of Périgord.

Recipe for truffle sauce: 20g truffles, 20g melted and clarified butter, 100g cream, 10g salt and pepper.

Do a baking tray covered with greaseproof paper; place a layer of finely chopped truffles on top. Add the butter and cream. The diameter of a small truffle will be about 1cm. Cut the truffles into small pieces. Add a second layer of truffles, repeating them by just a parchment. Add a second layer of truffles and cream. Cook in the oven for 12 minutes until the truffles and cream are golden brown, creamy and strongly flavoured.

How to nose out truffles

Truffle hunting is the world's oldest, most venerable, and most profitable of hunting sports. It is a game that has been played for centuries, and its rules are as strict as those of any other sport.

The truffle is a fungus that grows underground, and its scent is so strong that it can be detected by dogs. The dog's nose is its primary sense, and it is used to find the truffles.

The dog's nose is also used to detect the truffle's scent. The dog's nose is so sensitive that it can detect the truffle's scent from a distance of up to 100 metres.

The dog's nose is also used to detect the truffle's scent. The dog's nose is so sensitive that it can detect the truffle's scent from a distance of up to 100 metres.

The dog's nose is also used to detect the truffle's scent. The dog's nose is so sensitive that it can detect the truffle's scent from a distance of up to 100 metres.

The dog's nose is also used to detect the truffle's scent. The dog's nose is so sensitive that it can detect the truffle's scent from a distance of up to 100 metres.

The dog's nose is also used to detect the truffle's scent. The dog's nose is so sensitive that it can detect the truffle's scent from a distance of up to 100 metres.

The dog's nose is also used to detect the truffle's scent. The dog's nose is so sensitive that it can detect the truffle's scent from a distance of up to 100 metres.

The dog's nose is also used to detect the truffle's scent. The dog's nose is so sensitive that it can detect the truffle's scent from a distance of up to 100 metres.

The dog's nose is also used to detect the truffle's scent. The dog's nose is so sensitive that it can detect the truffle's scent from a distance of up to 100 metres.

not as much fun. The nozzle through which the scent of the ripe truffle is sucked over the sensors is the area of a drawing pin head - and you will not find a truffle unless you are directly over one.

Talou had to reprogramme the machine before I could find another because, in the excitement, it seemed unable to forget the scent and thought every pebble was a truffle.

The black truffle that all the fuss is about, is a fungus found only on the roots of particular oak trees in particular types of chalky soils with a particular climate.

During the past 30 years the amount of truffles on the market has declined sharply and the price has increased threefold in real terms.

The present machine is rated as detecting a scent at several parts per million, with new technology set to improve this dramatically for next year.

Still, Darius the dog won the contest convincingly. For every truffle that Talou or I could find, he was unearthing three or four, in spite of disappearing every few minutes to urinate on some more trees to the accompaniment of loud curses and "c'est pas vrai!"

This uncommitted approach to truffle hunting is typical of dogs. They are not natural hunters but have to be trained by reward to locate them. For a psychologically well-balanced dog, from good stock, this will take a month at least.

After a while, I had a go with the machine. It is a little bit like vacuum-cleaning - only



Two men, a machine, two dogs and the hope that springs eternal when a truffle hunt is under way

have pigs, you like hunting with pigs," but his eyes rolled when he looked at Talou and his machine meticulously combing the area round one tree. "This is not fun."

The most efficient truffle hunter is, of course, the pig. It has a natural taste for the truffle but is not as popular as a hunter. When I asked why, I was greeted with laughter.

After they are about a year old, pigs become too big to control. The only people who still use them are real peasants who keep them for a year and then eat them.

Those with special dietary needs can also buy yeast-free and sugar-free breads. Richard and Peter Harden continue to expand their computer's database. Their latest publication is a guide to London's Bars and Pubs (£4.95, 120 pages) with 350 entries and recommendations.

Michel Comby, chef at Le Train Bleu, Paris, cooks at Claridge's in Mayfair, London, later this month. Comby, renowned for French classical dishes, will include on his special menu starters of Cassoleto d'Oieufs, Broutilles aux Truffes Fraiches and Salade de Homard a Petits Horicots Verts a l'Ecluse d'Oies.

BERRY BROS & RUDD WINE BROKING Wine to Sell? Contact Jamie Graham or Vicki Villers on 0171 396 9600 or fax 0171 396 9619 CASH OR BROKING TERMS Price list available on request

Souffle Marie Louise and Gratins de Fromage Saint Moritz. Comby will cook from Monday March 12 to Wednesday March 20. Prices will start at £29 for a three-course lunch including coffee, petits fours, service and VAT. Mothering Sunday and dinner menus cost more.

The first 24 FT readers who book will be offered a complimentary bottle of claret - one per reservation - and must quote the "Appetiser" column when booking. For reservations ring 0171-629 8850. From March 12 to 14, three Viennese chefs - including Mark Peter from the Vienna Hilton - will be cooking at the Langham in Portland Place, London. A la carte and set lunch menus cost from £23 and dinner from £25. Sommelier Gerald Glinik will suggest Austrian wines to accompany

Appetisers

French treats from a master at Claridge's



The staff of lites from Harrods' new bread department

dishes including: Viennese potato soup; breaded catfish with sauce tartare and potato salad; goulash of veal with sour cream and paprika dumplings. Ring 0171-636 1000 for reservations. Those who want a simpler lunch may eat in the Tear's Restaurant and bar where a Wiener schnitzel, mixed salad and Austrian Güsser beer will cost £15.50. Expatriate Australians in London, desperate for the taste of kangaroo, Moreton Bay bugs and Queensland barramundi, can feast themselves at the Hyde Park Hotel's Australian food and wine promotion from Tuesday until March 17. Three chefs from the Plantation restaurant, at the luxury Hayman Island resort on the Great Barrier Reef, will be cooking with Ralph Purciani, the Hyde Park's executive chef, to produce a range of contemporary Australian

and now completely revised - and to compare it with Oc Clarke's Wine Atlas (£40, 320 pages, Little Brown). However Clarke, who has been everywhere in the ever-extending wine-growing world, offers a unique feature of which he is proud: more than 50 schematic maps which give panoramic views of the vineyards. They are not portrayed in the normal cartographic manner but produced by artists employing a painting technique which displays the lie of the land - in hills, mountains, valleys, rivers - and some towns and villages. Particularly attractive are the large map of the Douro Valley, demonstrating the hot, unyielding nature of the landscape, and a comprehensive picture of northern Spain. There are also introductory pages on the world's wine climates, its grape varieties and how wines are made. He places

much emphasis on terroir - the soil, the situation and the grape varieties. He shows that it is impossible to make identical wines elsewhere from Cabernet-Sauvignon and Chardonnay as are made in Bordeaux and Burgundy. He is more interested in the vines and the vineyards than in high-tech stainless steel vats and table roulantes. The author carries his enthusiasms with him and they are likely to carry the reader along, too. Nevertheless, for the wine tourist, en route from say St Emillion to St Estéphe, a normal cartographic map would be more practical. Edmund Penning-Rousell Harrods now stocks about 250 types of bread and has increased the range and quantity by installing a new in-store bread oven. Apart from Harrods' own breads, pumpernickel, focaccia, Cornish saf-

from cake and Irish soda bread are available each day. The Polaire, a traditional country loaf, is delivered from Paris.

CLARETS VINTAGE PORTS WANTED We will pay auction hammer prices. Payment IMMEDIATE. Contact Patrick Wilkinson Tel: 0171-267 1945 Fax: 0171 284 2785 WILKINSON VINTNERS LIMITED Fine Wine Merchants, Constance Rd London NW3 2LN

Bordeaux Wanted We pay top prices for Classed Growths. Contact Susie De Paolis now on 0171-727 6846. John Armit Wines Limited 5 Regency Square, 105 Lancaster Road, London W11 1QP Fax: 0171-727 7133

SPORT



Back to the future: Scotland's Scott Hastings chased by England captain Will Carling in their Five Nations match at Twickenham in 1991

World Cup Cricket

Catching England's ills

Mike Marqusee says the serious work begins as the quarter finals beckon

This World Cup badly needed an upset, and at just past 4pm on Thursday, in Poona, western India, it got one, as lowly Kenya pulled off a sensational 73-run victory over the once mighty West Indies.

Until then, the preliminary group rounds seemed little more than a ritual, a chance for cricket's super-powers to probe each other's strengths and weaknesses, with the qualifiers for the knock-out stages a foregone conclusion. Now to be certain of a place in the last eight, West Indies will have to beat the Australians at Jaipur on Monday. On current form that seems even less likely than Kenya's giant-killing act.

The West Indies seem to have caught a bad case of the English disease. From the start, they appeared demoralised, sullen and fractious in the field, as if playing cricket in this part of the world was merely one of the burdens of super-stardom.

In contrast, the Kenyan amateurs, strongly backed by the Indian crowd, were enthusiastic and committed. They had come to enjoy their cricket,

and it showed. This triumph for naive sincerity over world-weary cynicism not only vindicated the presence of the much-derided "minnows" in the World Cup, but went a long way to justifying the existence of the controversy-wracked competition as a whole.

Holland have also acquitted themselves with honour (the young batsmen Noortwijk and Zuidert impressing against England), but the UAE have proved an embarrassment playing without purpose or plan. It remains a mystery how they defeated the Kenyans in the 1994 qualifying tournament.

Until Kenya's victory, it had been assumed that the key match of the day would be the showdown between cup-holders Pakistan and the red-hot South Africans in Karachi. These were the two strongest sides in an otherwise lacklustre group, and for Pakistan it was considered vital to top the group in order to play their quarter final match at home (especially as both semi-finals are to be played in India).

Pakistan had made a late entry into the competition, disposing easily of Holland and

the UAE, but they did not bowl, but field consistently enough to arrest the South African juggernaut. Thanks to the South Africans' finely honed teamwork, Pakistan will now play a match in India for the first time in nine years.

Today's match between Sri Lanka and India in Delhi now looks likely to determine who will meet the Pakistanis in Bangalore (assuming the 1992 champions defeat England on Sunday).

Although awarded four points for the two matches forfeited when Australia and West Indies refused to play in Colombo, Sri Lanka have so far been restricted to a single appearance in the field, where batsmen Aravinda De Silva and Asanka Gurusinha put the Zimbabwean bowlers to the sword.

Packed with swashbuckling stroke makers, Sri Lanka are one of the classiest batting acts in the World Cup. Should they meet the well-oiled Australian machine at any stage in the tournament, they will be backed by the entire sub-continent, still nursing a grievance over Australia's snub.

Apart from Kenya's historic victory, the best match of the cup so far was the encounter between Australia and India under the floodlights before a packed house at Bombay's Wankhede Stadium.

Coming off their confident victory over the West Indies at Gwalior, the Indians once again displayed unaccustomed zeal in the field, with captain Azharuddin's agile close-catching and Kamble's rifle-crack return from the deep delighting the spectators. While bowlers Srinath and Kumble showed the control and variation that made them so successful in English county cricket last summer, the batting leaned too heavily on 22-year-old Sachin Tendulkar.

Outshining his rival Lara, Tendulkar has been the batsman of the tournament. In Bombay, he hit 90 off 84 balls (with 14 fours) and, had he survived for another 15 minutes, the Indians might have overhauled the Australian total.

That total owed much to the marvellous 136 off 135 balls (including eight fours and three sixes) by Mark Waugh. If

Continued on Page X1

Rugby / Huw Richards

Rowell's men: the world is against them

Among England manager Jack Rowell's techniques for building team spirit during his successful spell with Bath was encouraging a conviction that the rest of the world was against them.

Rowell has every reason to replay that tune to his England squad this week, as most of the rugby world will be against them as they try to stop Scotland taking the Grand Slam at Murrayfield today.

It will not just be the Murrayfield crowd, who helped inspire a famous Scottish victory over England in 1990. Goodwill for Scotland was evident in Cardiff two weeks ago after Scotland's narrow victory over Wales.

The Scots were, as Rob Wainwright, the captain, admitted, distinctly fortunate. But there was none of the recrimination or resentment that often follows narrow defeats, unlucky or not.

The good wishes pressed on Scotsmen reflected far more than Celtic solidarity against the Old Oppressor - many an Englishman's partisanship today will be tempered by generous recognition of what their opponents have contributed already to this season.

Scotland are in danger of bringing the game into repute. Like New Zealand in the World Cup, they have reminded us why it is worth watching by restating the case for instinct and imagination in a world dominated by pre-programmed, control-freak pragmatism.

International rugby is a realm of *realpolitik*. Results are what matters. And every team plays the percentage game in that it selects the players and tactics most likely to bring it victory. The difference with Scotland is that the method they have chosen excites and enthralls those not otherwise committed to their cause.

They are no different from any other team in recognising the importance of winning possession - the oft-cited truism that "you cannot win without the ball". But the point is what you do with that possession, and how you regard it.

For many club and international teams it is, first of all, a means of stifling the opposition - establish forward domination and play a tightly controlled game that minimises mistakes, using battering-ram back-row moves and well-placed kicks to make progress upfield.

Provided it works, this is not unattractive to the committed. Vast numbers gather at Welford Road, Leicester, to see if Dean Richards and his club team can maintain their present rate of three pushover tries a match.

The new Twickenham stands are a monument to the crowds attracted by England's penchant for setting up rucks and Rob Andrew kicking to the corners the possession gained. And any fan can appreciate the technique of a dominant pack and the skill of a kicking outside-half - even as they speculate on the wing's chances of getting hypothermia.

But just as cricket fans would generally rather have watched David Gower than Geoffrey Boycott, and their soccer counterparts derive more pleasure from Peter Beardsley than Tony Adams, so rugby fans would rather watch a team that sees possession as an opportunity to create, to give their opponents something to stop rather than simply stopping them.

That appeal goes back to the St George's Hospital teams of the 1870s who used quick, skilful players to outwit the cumbersome behemoths who had dominated until that time - a breakthrough as important in the development of rugby as Scottish soccer's contemporaneous development of a passing game was to the rival code.

That is Scotland's charm this year - a style based on quick ball, rapid movement and above all quick thought. It is rugby freed from inhibition. If there are more mistakes, they are outweighed by moments of brilliant creation epitomised by the winning try at Cardiff -

Changing the England back row for the sixth time running shows uncertainty

first a long, swerving break by Kenny Logan, then a refusal of the easy drop-goal option in order to go for the line.

Scott Hastings, a rock-solid centre whose defensive solidity helps underpin the brilliance of fly-half Gregor Townsend, equals brother Gavin's record of 61 Scotland caps today as he aims for an exclusive place in the record books as the first Scot to play in two Grand Slam teams.

England may have the power and, as the selection of Dean Richards shows, certainly have the intent to stifle the Scots. They have also taken revenge three times since that 1990 defeat by Scotland, including the gripping, low-scoring 1991 World Cup semi-final. But with the once all-powerful front-five in transition, changing the back row for the sixth game running shows uncertainty - and the back row is exactly where Scotland are strongest.

Scotland could probably do England no greater favour than send them home towards to think again about a more flexible and imaginative approach. This is already Scotland's year, and today should be their day. In Dublin, the Welsh revival in spirit and style needs a win to bolster it against those who would dispatch them back down the damage-limitation dead-end of recent years. Ireland just need a win but talent, morale and recent history in a fixture that has produced only one home win since 1964, favours the Welsh.

We liberate where other systems dominate

- Open your eyes.
- Discover the key to accounting freedom.
- CODA's unique client/server product design unlocks the true potential in your business.
- Enabling integration with other world-class accounting and enterprise applications, allowing you to choose the best solution for your business.
- Liberating information. Across companies. Across continents. Empowering your people to make accurate, timely, better informed decisions.
- Supporting your business changes in your business and technology strategies - not dominating them.
- Giving you the freedom to determine the direction and pace of change in your organisation.
- Delivering implementation speed with 24-hour service.
- Eliminate the need to compromise on your accounting solution.
- If you would like to discuss the value that Liberation Systems can bring to your business, feel free.
- Call +44(0)1422 309909 or E-Mail: liberation@CODA.com.

CODA

Liberation Systems for Enterprise Accounting

SPORT / MOTORING

Continued from Page X

Tendulkar is the ultra-modernist of contemporary cricket, matching power with innovation. Waugh is a standing reminder of the virtues of the classical style, relying on placement and timing. Waugh opened the innings with Taylor, who shocked the Indians by abandoning his usual stone-walling diffidence to strike a rapid fire 58, while Waugh was still on 38. Taylor's captaincy is one of Australia's main assets, and Waugh, endlessly varying flight and turn, seems to have the ball on an invisible string, leaving the batsmen nothing to hit. Intriguingly, the World Cup match winners may well prove to be the leg-spin trio of Waugh, Kumble and Mushtaq Ahmed (now joined by the lesser light of Zimbabwe's Paul Strang). Traditionalists who have accused the one-day game of eradicating cricket's arcane craft may have to revise their judgments. Increasingly, it is being raised to a collective science, while still leaving scope for individual artistry and, as the Kenyans have shown, the decisive importance of heart and soul. As Omar Kureishi, the veteran Pakistani commentator, has observed: "In one-day cricket, the element of mind has come to the fore." It is this element that both England and the West Indies seem to lack.

Memories of Dutch cricket

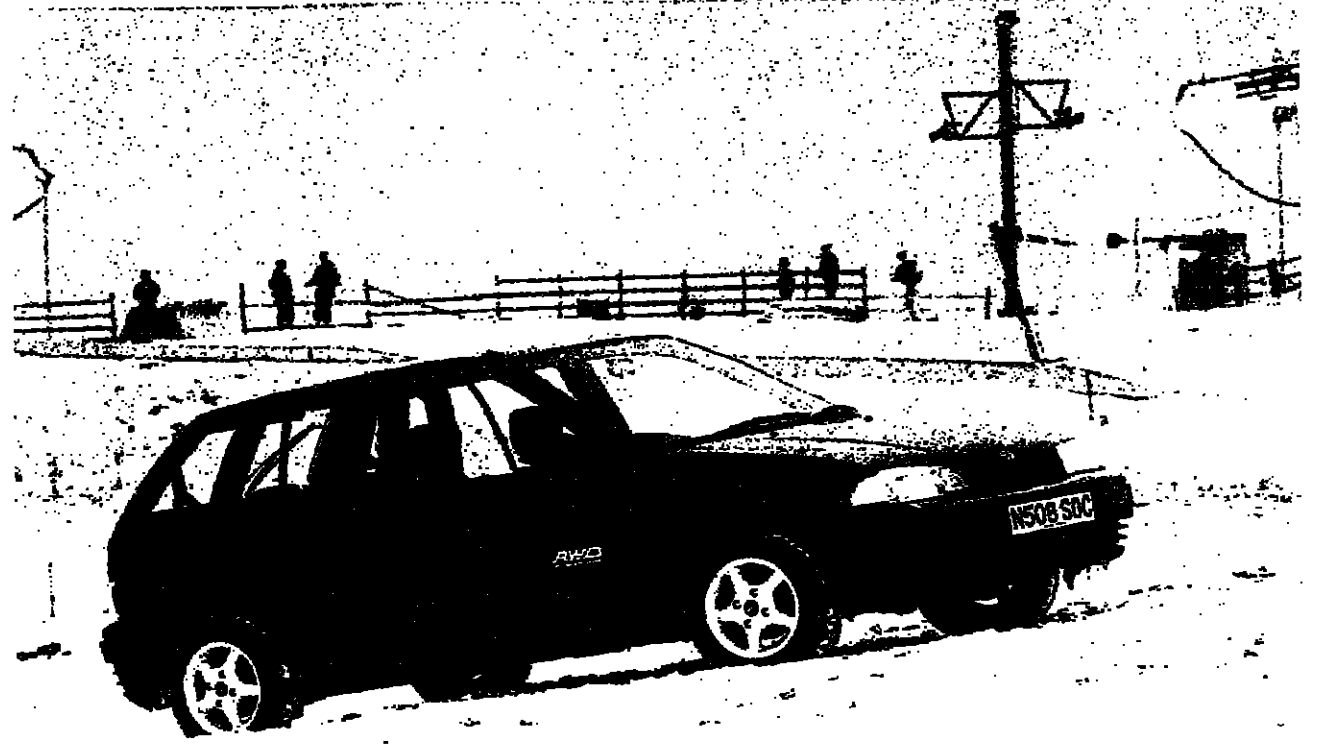
When I was 14 years old I received a letter saying I had been picked for the Dutch youth cricket squad. Although I held wildly unrealistic views of my own ability, I was surprised. First, although I lived in the Netherlands, I was English and not Dutch; second, every Saturday morning boys such as Tim de Leele and Klaas Jan van Noortwijk hit my leg-spinners into the local canal. Twelve years on I have stopped feeling ashamed. Against England in the World Cup in Asia last week, Tim scored 41 and Klaas Jan 64. Now I can tell people about the day I scored 12 not out off Klaas Jan's bowling, and the ball of Tim's which I hit for three (not an edge - a firm pull to backward square leg). Tim de Leele was the star of my generation. A doctor's son - most Dutch cricketers are upper middle class - he was good enough at football to have attracted Sparta Rotterdam, and better at cricket. He once batted left-handed against my team and hit several sixes. But he was always generous. Over lunch at a national squad training camp, he complained that he had been unable to hit a boy's off-spinners out of the

ground. The boy, a star himself, shone with pleasure. Until last week, when I saw him hitting sixes against England and Pakistan. Klaas Jan impressed me less. In hindsight I can see that like Bradman, he did little that was flashy but nothing that was wrong. A Rotterdam boy, he played for VOC, where Jack Richards, the former England keeper, joined him on emigrating to the Netherlands. Richards bowled for VOC, because the club keeper, the surgeon Rene Schonheim, was unshiftable after two decades in the job. Two other members of the World Cup team, Erik Gouka and Marcel Schewe, played for Excelsior in Schiedam, the only Dutch town where boys play cricket on the street and the only working class spot on the Dutch cricketing map. Excelsior sometimes draw 5,000 fans to matches - although only 6,000 people in the country play cricket - and there have been outbreaks of hooliganism. Erik I remember for the pull shot he played against almost any ball; no doubt he has developed. Marcel used to sledge. Maurits Cruca, another great cricketer of my generation, went on to play hockey for Holland instead. Yet Tim

aside, the boy who impressed me most was Boudewijn Lefebvre. His elder brother Ronald plays for Glamorgan and Holland, and the VOC elders thought Boudewijn was going to be better. But he fell victim to the deadly serious side of Dutch cricket. Even at my club, which plays the equivalent of village cricket, the players turn up 1 1/2 hours before the match to swivel their pupils in their eye-sockets and perform other performance-enhancing exercises. Charged up, they storm on to the field and drop the simplest of catches. At VOC things were worse. Boudewijn enjoyed visiting discos and, as a cure, he was demoted to the third team. He did not respond well, and he is not in India this month. Perhaps Eldert Frank will make the next World Cup. I first met Eldert - red-haired and freckled, distantly related to Anne - when I was 12 and he was nine. I bowled him an off-spinner in the nets that hit him in the stomach, and he cried. Later he moved to Rotterdam. Now he bowls left-arm spin for the VOC first team and, come 2000, he could be taking England wickets.

Simon Kuper

Motoring



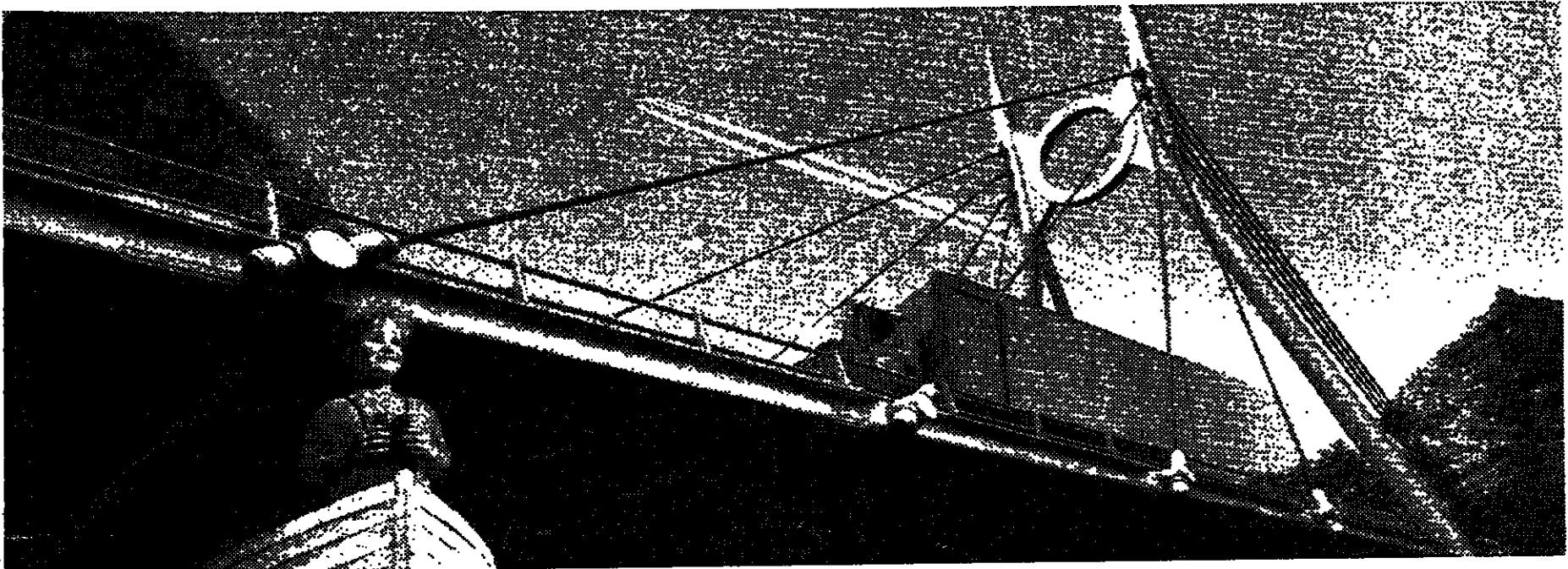
Subaru's new Justy - keenly priced and Japanese standard

People who need four-wheel drive cars, as distinct from those who buy on-off road 4x4s as lifestyle accessories, have always thought well of the Subaru

range, writes Stuart Marshall. The Legend, with permanent all-wheel drive, is a proper countryman's estate. And the supermini-sized Justy, with

selectable front or four-wheel drive, has been the logical second car for families living in places where winters are snowy and driving conditions difficult. The new Justy (pictured above) will be better still. It has a four-cylinder, 1.5-litre engine instead of a 1.2-litre, three-cylinder. Four-wheel drive is now permanently engaged, with tractive effort automatically allocated

between front and rear wheels according to road conditions. Power steering, driver's airbag, electrically adjustable door mirrors and anti-theft immobiliser are standard. British sales have just started at £8,599 (three-door) and £9,000 (five-door). The new Justy is made (to Japanese standards) in a new Hungarian plant jointly owned with Suzuki.



£2,000m of private and public investment means better roads, better roads lead to faster deliveries, faster deliveries mean a better service. From 0 to 60 everything runs smoothly in Telford.

Telford is not only situated in the heart of unspoilt Shropshire countryside, it is also at the very heart of Britain's communications network. It is located near its own motorway, the M54, which gives it fast access to the national motorway system putting two thirds of the UK population within four hours journey time. And no less than 15 UK ports are within 4 1/2 freight hours, with Liverpool Freeport, Britain's busiest general cargo port, only two hours away. Birmingham International Airport is just 45 minutes away and

a new rapid transit rail system link will soon put Amsterdam, Brussels, Frankfurt, Paris and many other important European Centres even closer to Telford. Closer to home is the fact that Telford's 800km of fast roads mean your home in the idyllic Shropshire countryside could be minutes from the ample parking provided in Telford's business areas. If you're considering relocation, see Telford, then decide. It could put your company on the road to greater success. Call freephone 0800 16 2000 or complete the coupon for further information.

Clever traffic busters

For some weeks I have been using two electronic motoring aids, a Philips Routefinder and a Trafficmaster. I am still not sure whether they are a great leap forward or an ingenious complication. Routefinder works out a detailed route from A to B, from Aberystwyth to Bognor Regis, if you like. And Trafficmaster presents a visual report on the state of play on Britain's motorway network. Both have their uses - and limitations. Routefinder is really a computer-age supplement to the motoring map. Press the right buttons and it displays on a tiny screen (70mm x 40mm, which is smaller than a credit card) details of a route, using or avoiding motorways as you wish; calculates fuel costs; and estimates your time of arrival. Trafficmaster tells you on a 80mm x 65mm screen how well the traffic is flowing - or not - on motorways and the trunk roads. It zooms in for a detailed look; for example, the M25 can be viewed in four segments. The information is obtained by sensors on motorway bridges and is more accurate than radio traffic reports because it is updated every three minutes. These devices are not cheap. Routefinder was launched at £199.95 but is now discounted. Trafficmaster costs £149.99 but will not work without a regular supply of electronic information keys at £10 a month. (£110 a year). All the information on Routefinder could be gleaned from a good map like Phillip's (no relation to Routefinder's maker) peerless 1in/mile road atlas. When travelling alone, I plan a journey in advance; write the numbers of roads and motorway exits boldly on a piece of paper, and tape it to the fascia. It can be read virtually without my eyes leaving the road. Only drivers with sight sharp enough to make out the microscopic writing on a modern car radio's buttons can hope to do this with a fascia-mounted Routefinder. Though a similarly sized Trafficmaster is better, it can be hard to read when driving into the sun. Computer-literate passengers will reckon a Routefinder is a great aid to navigation. Intelligence is only as good as the use to which it is put. If I was heading for the M25 and Trafficmaster told me it was at a standstill between junctions 5 and 6, I would use the A25 instead. That is because I live nearby and know exactly how to pick up the motorway at junction 6. But suppose I was going north on M1 and, just after junction 28, Trafficmaster showed a jam had developed between junctions 30 and 31. Would I pull off at 30? If it were daylight and I had a large-scale road

map to navigate by, I might. Or I could drive to the nearest village with a name sign and get Routefinder to find me an alternative route from there. But on a wet night I would probably take a chance on the traffic moving again soon. Better than that risk getting lost, especially when one can always phone ahead by mobile to explain the delay. What Routefinder and Trafficmaster should ideally be able to do is provide information by head-up (seen through the windscreen) display, computer-generated voice or a combination of the two. Glancing down to fiddle with radio or heater controls already causes many accidents. Trying to read data off very small screens could, too. A solution to this problem is coming. Clever though they are, Routefinder and Trafficmaster must be overtaken soon by new technology. The Royal Automobile Club forecasts that 10 years hence, its members will be driving "smart" cars routinely equipped with space satellite-based automatic vehicle location and navigation. 'A 2005 car going on the blink hardly bears thinking about' tion, on-board diagnostics and mobile communication. Drivers will key destinations into fascia-mounted units which will call up the latest traffic information, work out the best routes and project the data through the windscreen. On moving off, the display is replaced by a voice telling drivers in good time which turns to take. If the route is blocked, the RAC's centralised traffic information service will update the car's navigation system automatically and work out a detour. Should the on-board diagnostic system detect, say, that the radiator thermostat is about to pack up, the nearest RAC rescue vehicle will be alerted and the car's driver told by mobile phone where to rendezvous. Which sounds wonderful; but is it too good to be true? Right now, all the breakdown services are having to rescue motorists who have shut themselves out of cars with remotely controlled central locking or who cannot disarm electronic engine immobilisers. Victims of these computerised glitches may feel the consequences of the self-diagnosing electronic wonders of a 2005 car going on the blink hardly bear thinking about. Stuart Marshall

To Telford Enquiry Desk, Jordan House West, Hall Court, Hall Park Way, Telford TF3 4NN.

Mr/Mrs/Ms _____ Initials _____ Surname _____ Title _____
 Company _____ Postcode _____ Address _____ Tel. No. _____ Fax No. _____

0800 16 2000

TRAVEL

The crisis is over. Britons have regained their nerve and are returning to Florida. A few scare stories about tourists being hijacked on the perimeter of Miami Airport caused panic attacks, not least at the Miami Visitors Bureau, but the problem has been solved by better signs inside and outside the airport; police patrols designed to round up any myopic new arrivals who take their hired cars off the freeway and into the adjacent ghetto; and time.

Perhaps the best solution of all is not to pick up your rented car at the airport but to take the frequent bus shuttles into town and enjoy a few days in easy-going Miami before setting off north for Disney World or south for the Florida Keys.

For the tourist there are three obvious residential options. You can identify with Al Capone and the Duke and Duchess of Windsor, and make for the Biltmore Hotel in Coral Gables. The Biltmore is the movie's gone wild, a Spanish mogul's dream of home, circa 1926, bounded by a golf course and the largest swimming pool in mainland America, the very pool into which Johnny Weissmuller dived to become Tarzan and a Hollywood legend.

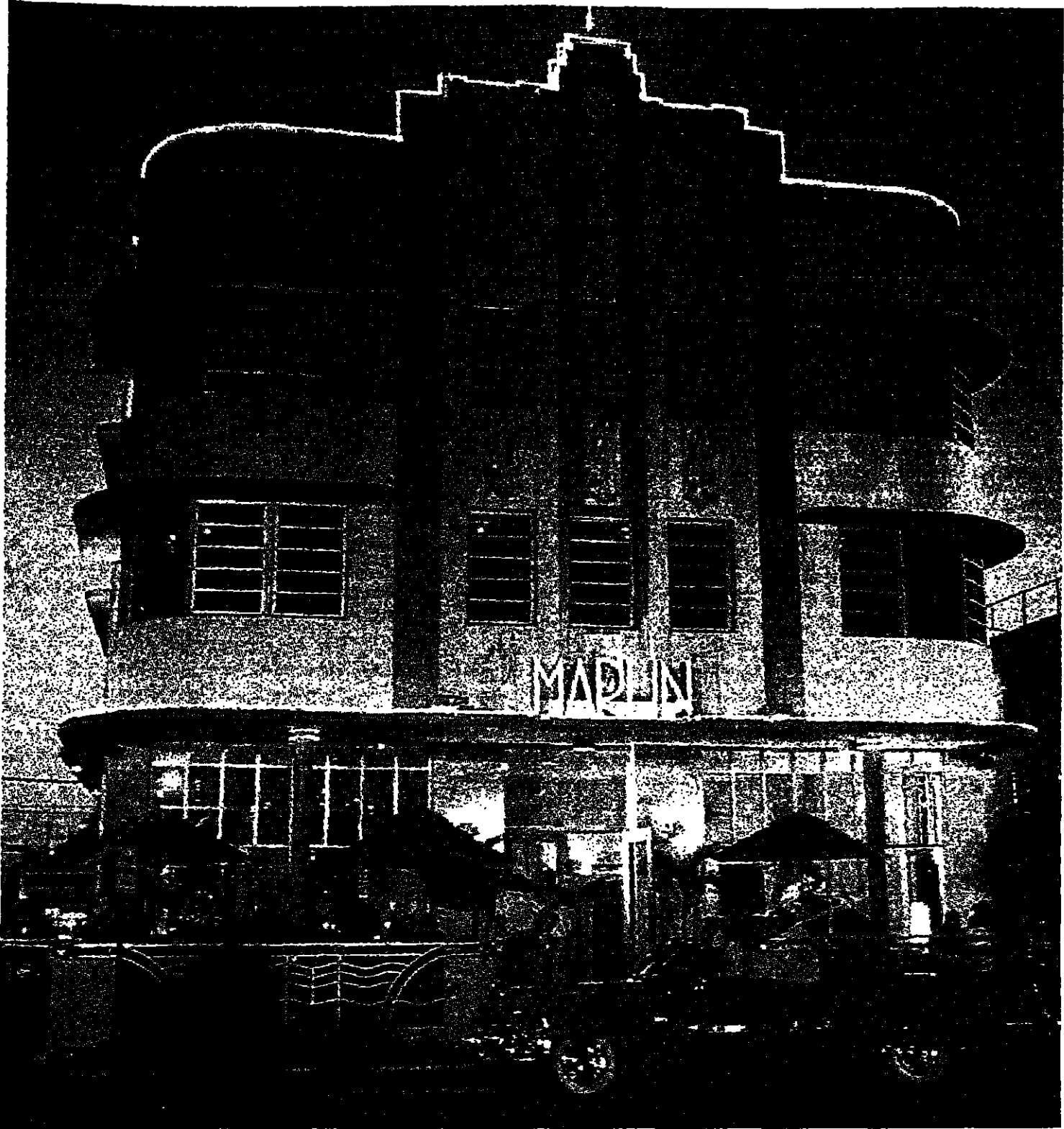
Alternatively you can stay in nearby Coconut Grove, Miami's laid back answer to Greenwich Village. Or you can head across the causeways to Miami Beach.

This is the sensible answer, for Miami Beach offers all the comforts of Miami with none of the big city blues. Miami Beach was America's first mass tourism destination and manages to retain much of the quaintness that the English associate with Florida, spiced with a sharpness that comes with its traditional Jewish community and a panache infused by the more recent gay influx.

Miami Beach was largely created in the 1930s and, unlike most of the US, has an almost overwhelming sense of place, the consequence of its extraordinary architecture. It is the manifestation of American art deco. The hotels were built small and cheap, steel frames with concrete covering, but their exteriors were given the escapist gloss of the jazz age. If they did not look like ocean liners, with port-holes for windows, they were modelled on the streamlined lines of racing cars.

Twenty years ago the wreckers were poised to demolish them, but in the nick of time the Beach's new inhabitants, often pop millionaires or countermasters, recognised their charm and swooped to preserve them, this time splashing pastel pinks, blues and greens, quite different from the cool two-tone originals, over the unique shapes. Now large blocks of Miami Beach look like a city made of liquorice all-sorts.

On the main drag, Ocean Drive, fronting the Atlantic, Mammon has assumed the upper hand. This is now a posers' paradise, especially after dark. Rooms are still reasonably cheap, less than \$100 (£65) a day in summer when the locals writ in the heat but Britons lap up the bargains. However, every evening you must run the gauntlet of roller-bladed greeters, trying to tempt you into the bars and restaurants that front the hotels.



Miami: It is unsurprising that you share Miami Beach with film crews and fashion shoots

A liquorice allsort city

Antony Thorncroft visits Miami Beach and is reminded of England's Frinton

The Beach prides itself on its laid back security. With every corner offering another vista of Edward Hopper's America it is unsurprising that you share Miami Beach with film crews and fashion shoots. But while the showbiz glitterati that flock here revel in the past they also pump money into the new.

A sensational recent opening (apart from Glam Slam, Prince's disco where every customer receives a condom and a toffee) is the re-constituted Delano Hotel. Madonna owns the restaurant and hot designer Philippe Starck is responsible for the interior, a succession of reception rooms divided by billowing white drapes, each with its Alice-in-Wonderland enigma - a dining table projecting from the wall furnishing one vast space, a single spottish chair another.

You pass through people who are just "there", to the terrace, to the pool, to the bar, to the beach, an extra in a Fellini movie.

The attraction of Miami Beach is that all this chic stops abruptly around 2nd Street and normality takes over. As you move further north up the seven-mile long Beach you hit economy land - hotels with rooms at \$25; lunch at \$2.95; breakfast at 96 cents, all with the sands yards away. Then suddenly you are back in enveloping luxury at Turnberry, south Florida's grandest golf mecca which, along with a marina, surrounds a hotel which seems to have been transported from the French Riviera. Again prices become almost modest during the English summer.

Apart from acres of featureless beach for children, and clubs and bars which compete, with the latest

laser pyrotechnics and attitude, to be the most post-modern in the land for youth, Miami also offers an attraction for mature British tourists: shopping. Prices are reassuringly lower in Florida, and there is an amazing range of shopping experiences.

Those who know need not be directed to the Bal Harbour shops, a mall so smart that it hides away from casual browsers. Anyone who penetrates its tree-lined cool will find the best of Versace, Tiffany, Cartier and the rest. For the regular tourist, there is a free bus shuttle from the Beach to whisk you to Aventura Mall, which contains 200 shops and stores and the imminent arrival of a multi-screen entertainment complex. For the desperate, a trip south of Miami to Florida Keys Factory Shops offers brand names at discounts.

Miami Beach is easy going. Sitting in the South Pointe Sea Food House, at the tip of the island, watching the sun set over downtown Miami's aspiring skyline, drinking the only beers brewed in Florida - peach flavoured, spiced, you can imagine the range - and watching the liners cruising, within smiling distance, to the Caribbean, it seems positively cosy. It is *ersatz* America, half the population Latin, the society young enough to be celebrating its centenary this year, the atmosphere more Caribbean than Yankee. On top of all these charms, it is still a cheap place to get to, to stay, and to survive.

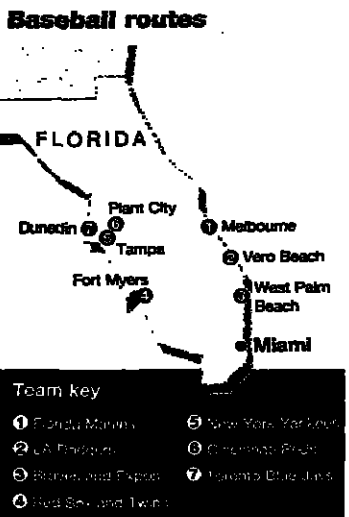
Antony Thorncroft flew with American Airlines and stayed at Indian Creek Hotel on Miami Beach, a restored 1930s hotel where the staff seem to have as much fun as the tourists.

The religion of the US ball parks

Michael Carlson goes on a baseball tour

The surest way to be converted to baseball is to be taken to the game. One British convert fell in love simply with the ritual of fans passing orders of beer, their payment, and change, along the rows during the game. "At a football match," he said, "they'd steal the money, drink the beer, and throw the change at the referee."

And the best time to be converted to baseball is during spring training, a six-week exercise period that takes place in Florida and Arizona. Throughout March, teams play a 30-game exhibition schedule, before opening their real seasons up north (or down south, in the case of Miami's Marlins).



Although teams have always trained in warm weather (Bill Clinton's Hot Springs, Arkansas, was a popular site in the early part of the century), spring training as we know it was invented by Branch Rickey. Known as "the Mahatma", Rickey was the Brooklyn Dodgers' general manager who signed Jackie Robinson to break the major leagues' colour barrier in 1946.

"Dodgertown" in Vero Beach, Florida, looks more like a summer camp than a modern baseball complex, but even though the Dodgers now play in Los Angeles, they return east for the spring. During games, manager Tommy Lasorda sits on a bench spending more time talking to the crowd than watching the game.

Spring training is relaxed. The ball parks are intimate, with fans appearing to sit almost on top of the players. The players are accessible. Autographs of sporting heroes are big business in the US, and stars will be followed by signature-seekers, some of whom know to a cent the value of each name on a baseball card.

Spring training is full of the odd moments that define the game. Cal Ripken Junior, who broke the consecutive games played record of Lou Gehrig, "the Iron Horse", (remember Gary Cooper in *Prize of the Yankees*?) has played every inning of almost 2,200 games, but in Fort Lauderdale the Orioles will substitute him and he will go to the bench without a murmur.

This is the time when stars stop their drills to watch a hot prospect take cuts in the batting cage. When the septuagenarian in the next seat is someone who saw Lefty Grove pitch, or drank with Jimmy Foxx in a Florida bar. It is when you sit hypnotised by the ball's lazy arc as a coach hits practice shots for outfielders.

All games are played in the sunshine, the way baseball should be played. Bring a hat and plenty of sun block. The cheap seats are not called "bleachers" for nothing.

It is cheap. Tickets start at \$5 (£3.20) or \$6 for bleachers and the best seats are \$10-\$12. Few games are sold out in advance, so you can check the weather first. It is not peak tourist season, although the team hotels will usually be full. The distances are close enough so you can sample a variety of teams.

Twenty of the 28 major league teams train in Florida's Grapefruit League, which can be reached

direct from London via Orlando or Miami. On arrival, stop at a newsstand and buy a copy of *Spring Training Baseball Yearbook*, which provides details about the teams and players, along with maps and information on all the sites.

Competition among Florida towns for spring training sites rivals that of big cities for important sports franchises. The importance of the local economy was highlighted last spring, when the owners brought in teams of "scabs" to replace the striking major leaguers. Attendance plummeted, and the cost to Florida's economy was estimated at more than \$150m.

Melbourne enticed the Marlins north with a beautiful new stadium that sits in the middle of nowhere. Driving down the access road last spring, I watched a bald eagle rise out of the marsh, escaping before the crowd arrived. Florida's development sometimes lets you forget that it is still a natural paradise.

The modern facilities include plenty of practice fields, where the prospects and suspects will stage intra-squad games in the mornings, and where you are free to wander.

To be absolutely sure of a game, go to West Palm Beach, where Atlanta Braves, the World Series champions, share City of Palms Park with Montreal Expos. One or the other will play every day. Or try Fort Myers, where Boston Red Sox and Minnesota Twins play in parks on opposite sides of town.

Before the Red Sox left Winter Haven for Fort Myers, they asked the Twins what their new home would be like. One Twins coach surveyed the stands. "See all those old folks?" he asked. His Sox counterpart nodded, puzzled. "Their parents live in Fort Myers."

Although Middle America sees Miami as Capone's Chicago moved south for the 1990s, Florida otherwise is seen as a giant retirement village. Spring training gives you the chance to see one of the last aspects of the pastoral life Americans used to cherish, in the one month a year when those little resort towns go big time.

Don't feel put off by not knowing the game. "Baseball is like church," said former manager Wes Westrum, "many attend, but few understand."

I was in a large, crowded Cantonese restaurant in Hong Kong island's busy Causeway Bay area, being hunched by a film director.

Eat, drink, be merry - in Hong Kong

Nigel Andrews is overwhelmed by the energy and infinite variety of the British colony

"Have you tried this before?" he said, beckoning a steaming bowl from the dim sum trolley waitress. "It is pig's knuckles."

I did my best to look enthusiastic as a large piece of something resembling orange-coated gristle found its way to my plate.

"And these are squid tentacles," he said, spritzing from the waitress another bamboo bowl containing steaming snake-like things with suckers.

I looked longingly at the tea pot, which contained the only thing so far I felt happy about consuming.

Then it all got better: not just the food, as we reached safe haven with prawn dumplings, spring rolls and sticky rice in lotus leaves, but my whole first trip to this beleaguered outcrop of democracy stuck, for a few remaining months, to the edge of China.

I cannot remember being so love-struck by a place at first encounter, or getting more love-struck as time went on. Three things caused the *coup de foudre*.

First, I was grateful the aeroplane came down at all in an airport cunningly booby-trapped with skyscrapers.

Then I experienced a theme-park-style taxi ride: a riot of tunnels, spaghetti flyovers and dazzling harbour views. (Oh look, a floodlit junk boat was it a phantom? I never saw it again.)

Finally, I was thrown off more by the slowing of centrifugal force than any more normal taxi-exiting process, at the mal tax-exiting process, at the Excelsior Hotel, a bewitchingly comfortable pad right in the

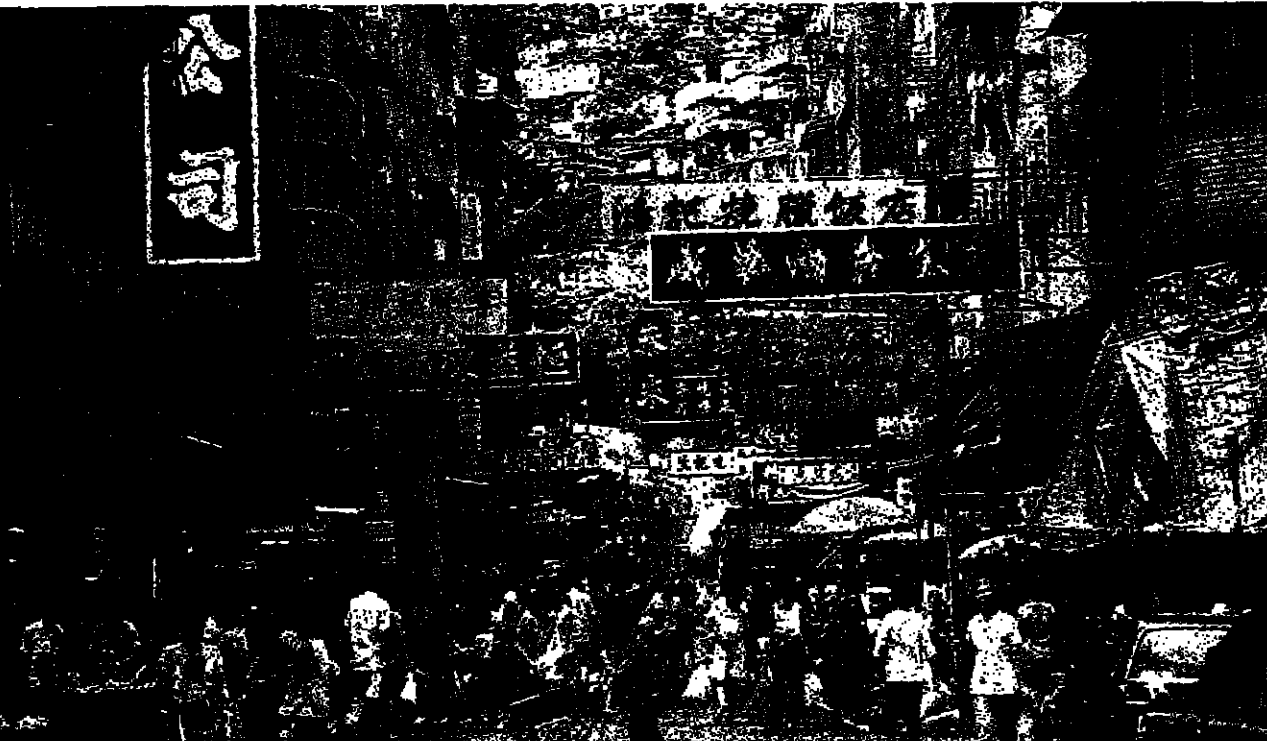
middle of Causeway Bay. You should not stay in any other area on the island. Further west lie the glossy pleasures of Central district, full of billionaire high-rises and hotels designed to speed you towards bankruptcy. But Causeway Bay is a raggle-taggle jumble of shops which do not close until 10pm and street vendors who barely close at all.

The late-evening crowds are lit up, if not by rice wine or Hong Kong beer, by that permanent firework display known as the Hong Kong street sign. The blazing ideograms hang everywhere, yellow, red, green and mango-orange, like undelivered explosives from heaven.

It could be a movie set: *Blade Runner* out of *Shanghai Express*. But you would not get the smell on a movie set, and even this you come to cherish.

Every Cantonese duck that ever died and was embalmed in mouth-watering glazes; every dried fish hung for weeks in a restaurant doorway; all the steam from 100 stir-fry carts, dispensing rice-and-pork or octopus or Chinese sausages. Think of London's Gerrard Street, multiply by 100, and give up and enjoy.

If this article seems food-obsessed it is because Hong Kong seems food-obsessed, perhaps the place is committed to a headlong riot of consumption as 1997 looms, when the good times may stop rolling. Even when I took a Sunday walk through nearby Victoria



Hong Kong: crowded, exciting and food-obsessed

Park, partly to escape the cooking smells, every grassy hillock was filled with picnicking families. There were steaming take-away cartons, flickering birthday cakes, bowls of fried rice.

"Ah yes," someone later explained, "that is the Filipino maids." Thus I learned of another mass-consuming ethnic subculture, one which apparently swarms on to the streets (causing traffic jams) and into the parks every weekend.

Will the party end? There was some crying of woe and some quiet cursing of the passport-withholding British government. Yet as I walked around the city, mostly wearing my film critic hat to interview cinema folk, I was amazed by the upbeat equanimity and energy of the place.

Even the gangsters know a consumer paradise when they live in one. At one point I stepped sideways to do a little sleuthing into the famed Hong

Kong Triads, which used to terrorise the movie trade and still exert, a high-ranking police officer told me, a protection stranglehold on commercial businesses.

According to Detective Chief Inspector Tony Deakin, businesses in Tsim Sha Tsui, the waterfront shopping district across the harbour in Kowloon, patiently put up with the protection payments required by Triad gangs.

"Why don't they protest to the police?" I ask.

"They're very reluctant to come forward. They don't want to admit what they're doing. It's easier just to make the monthly payments."

And if they don't? "Then sometimes a hotel will get 100 people, dressed very casually, sitting down to drink one cup of coffee." Deakin, a senior officer in the colony's Organised Crime and Triad Bureau, in Causeway Bay, shrugs and says it is something the Hong

Kong Chinese live with.

With almost no state welfare system many poor people juggle several jobs at once, and many jobs, if not the wrong side of the law, can be ingeniously off-the-wall and improvisatory.

Like the man and woman who run a stall on the two-hour harbour boat cruise and will write your name on a souvenir fan in Chinese ideograms. Then, for a few dollars more, they will give you a complete run-down of what your name means in Chinese. "Nigel. How you spell that, please..."

Or there are the street food stalls - back to HK's favourite commodity. No inscrutable Orientalism here. The vendors practically jump out and ambush you: try a bit of spicy pork on a stick; have a bowl of snake soup; eat this; drink that.

And if you are so choosy as to eat in a sit-down restaurant, do not expect quiet service. There are a dozen waiters or waitresses to each table. They bombard you with courses, sweep away your plate during your last mouthful, ply you with more rice or tea, insist you have a hot towel to wipe your hands and mouth, and then present you smilingly with the bill.

It is large, but who cares? The food is so good and you can choose a different restaurant from any area in Asia: Szechuan, Guangzhou, Korea, Thailand, Vietnam and, my favourite, Indonesia.

Try the delicious and rela-

tively inexpensive restaurant Indonesia in Lockhart Road. Even the restaurant unpromisingly called Vegi-Food Kitchen in Cleveland Street has succulent dishes, though you may pause at a menu that includes "black moss" and "elm fungus".

Then again these may be dubious English transliterations. In its indefatigable bid to reach out to all visitors, Hong Kong throws the lexical works at them.

I marvelled at one restaurant window with a menu advertising something called "Stewed of turnix with liguistium", in between the equally appetising "Baked fish maw and sinew" and "Cook in oil of ostrich with polycyldium".

Hong Kong does not let the visitor rest from sense experiences, culinary, linguistic or scenic. Near the end of my stay I took the funicular up to Victoria Peak and gazed down on the statutory but still stunning view of white skyscrapers at the feet of green mountains.

Then when I came down a Hong Kong friend said: "But you can't leave without seeing that view at night!" He offered to take me himself the following evening. But we got caught up, like the rest of Hong Kong, in a last, very long meal.

1996 NATIONAL HUNT FESTIVAL
12TH • 13TH • 14TH MARCH
SAVE £5
BAS CLUB DAY BADGE
SALES CLOSE MARCH 2ND
- (01242) 226226 -
CHELTENHAM RACECOURSE

BOOKS

The balance of power preserved

BRITAIN AND THE DEFEAT OF NAPOLEON 1807-1815
by RORY MUIR
Yale University Press £29.95, 384 pages

It is rare nowadays to find virtually unstinted praise of British foreign policy, especially when related to Europe. Yet here it comes from Rory Muir, an Australian scholar who has meticulously combed the Wellington and other papers at the University of Southampton. The subject is Britain's role in the defeat of Napoleon in the period 1807-1815.

Muir is far too good a historian to put it down entirely to the brilliance of British diplomacy or, still less, the superiority of British military strategy. There are lots of "ifs" and "buts" along the way. There was always the element of chance. Other people made mistakes. Above all, if Napoleon had not over-reached himself by marching on Moscow in 1812, the Europe of the rest of the 19th century might have been very different.

Nevertheless, the story Muir tells is one of mounting British determination, perseverance and ultimate success. It started from a very low base. Britain had no continental allies while France, united under Napoleon, was becoming stronger

than ever. The primary British interests were to prevent French domination of the Low Countries and to preserve the balance of power in Europe.

The initial British reaction was to fight in the Iberian peninsula. This was an irritant to Napoleon, but not lethal. As time went by, however, British persistence in the peninsula helped to persuade other European countries that the emperor could be checked and, after the retreat from Moscow, there was a concert of powers ready to bring him down. The final result was that after a generation of almost continuous war in Europe, there was then a generation of almost continuous peace.

Muir is also too pure a historian to make comparisons with

what happened afterwards; yet the reader need have no such restraint. There are all sorts of similarities, the most obvious of which is that Hitler made the same mistake as Napoleon in fighting on too many fronts at once. Napoleon and the Tsar had once been allies, just like Hitler and Stalin.

But there are similarities, too, in the peace-making process. The common enemy then, and the most powerful country in Europe, was France, not

Germany. Once France was defeated, however, there was no great desire to humiliate it. Instead the aim was to restore it as a great power among several. France, for example, could become useful in preventing the rise of too strong a power in central Europe, and there were already fears of the rise of Russia.

Indeed the Treaty of Chaumont, signed in 1814, bears some remarkable resemblances to the Nato Treaty signed well over 100 years later. It was a system of collective defence seeking to guarantee the signatories against French aggression and promising mutual assistance.

One can also use the 1807-1815 period to show how essential it is for Britain to

maintain a close involvement in European affairs. Neutrality was not an option in the face of a potentially united continent, especially as the US, with which Britain was briefly at war, favoured the continentals. (In a forerunner of later superpower status, Moscow actually offered to mediate between London and Washington.)

But the British involvement did not come cheaply. Muir estimates that there were up to 80,000 British deaths in the peninsula alone. The financial costs mounted steadily. In 1807 the national debt was £618m; by 1815 it was £834m - or £43 for every man, woman and child in Britain and Ireland.

Still, the war remained popular, or at least acceptable, at home and the final victory at

Waterloo gave Britain a self-confidence which lasted almost a century, indeed until - Muir suggests - the events on the Somme in the first world war.

Apart from the poor bloody infantry, the main heroes were the Duke of Wellington who kept the peninsula war going before moving on to even greater triumphs, and the foreign minister, Castlereagh, who was responsible for much of the diplomacy, yet there was also an unusually steady set of ministers in London. Muir singles out Lord Bathurst at the war department who has received barely a column in the *Dictionary of National Biography*.

The book contains some delightful anecdotes. Who now remembers that after Napoleon had escaped from Elba and been recaptured, Castlereagh (of all people) suggested that he should be detained in a fortress in Scotland? Lord Liverpool, for once, turned him down.

Malcolm Rutherford

The great fossil hunt

The cleverest people are clever enough not to tell you how clever they are. They just get on with being interesting. Stephen Jay Gould, the popular paleontologist from Harvard, comes perilously close to failing this test in his seventh book of essays, Gould is an acknowledged master of the modern scientific essay, and he knows it. He has been writing monthly for 20 years on evolutionary biology, displaying a broad liberal mind, wit and impressive scholarship. And he can capture the excitement of scientific enquiry at full gallop.

The obscurest fossils become clues in a gripping story of intellectual suspense about the grand mysteries of nature. He showed this talent in his prize-winning book, *Wonderful Life*, an exciting account of how a large fossil find in the Burgess shale in the Canadian Rockies at the beginning of this century was re-evaluated.

Despite its deserved success, the odd structure of this book showed that Gould's natural habitat is the essay. His first volume (*Ever Since Darwin*, 1977) had a freshness and attack that later efforts have not always achieved. What fun it was to join Gould then, slaying giants alive or dead, laughing gaily at every paradox as he pierced another false argument to the heart.

He could be generous to his foes, especially when the reader was safely tied up in his conclusion. Darwin was right - but in what strange ways, with what apparent contradictions; and with such dissension among his followers. These themes were pursued from broad generality to the oddest detail in a way which made evolutionary biology entertaining and accessible.

It is a pity, therefore, that he is becoming rather grand-old-mannish. In the preface of his latest collection, he compares himself unashamedly with Montaigne and boasts of his intellectual prowess in a phrase worthy of Jane Austen's Mr Collins: "I did receive one great gift from nature's preeminent goddess, Fortuna - a happy conjunction of my own hyperactivity with maximal utility in a central professional activity." Yes, he has a good memory, and as he further informs us, a knack of

DINOSAUR IN A HAYSTACK
by Stephen Jay Gould
Jonathan Cape £18.99, 480 pages

period, the magic has returned. Soon he is exhorting a forgotten 19th-century author for the belief that God showed a wise purpose in creating the step worm. This is vintage Gould: astonishingly detailed research into an apparently worthless subject, yet all conjoining to an incisive general conclusion. And yes, the dinosaur is discovered at last in a "haystack", thus supporting a gripping theory about the last great extinction.

Yet by essay 32, third from last, he has become irritating again. Gould wants to share a memory about Verdi's opera *The Masked Ball* and something on the Swedish 50 kroner note. It turns out that Linnaeus, the great 18th-century classifier of biological species, was Darwin's inspiration even though they believed in opposite theories. Interesting. But now remember that King Gustav III, who is on the same 50 kroner note as Linnaeus, was the subject of Verdi's *Masked Ball* (in which, as in life, Gustav was assassinated). So also, Darwin and Linnaeus, in different ways, both unmasked biological truths...

Who was it who said: "Le secret d'un grand est de tout dire?" Voltaire, probably. Gould will know. Could make an essay.

Max Wilkinson

Lost treasure restored

Sylvia Plath, one of the last writers you would associate with jolly infants' stories, has had a surprisingly successful posthumous career in children's publishing. In 1976 Faber brought out her long poem, *The Bed Book*, to great acclaim and now her papers have yielded up another treasure. *The It-Doesn't-Matter Suit*, a wise and witty story, set in Plath's father's homeland of Bavaria, about a little boy, seven years old and with rather too many brothers, who longs for an "All-Year-Round" suit.

It seems that Max Nix's wish is destined to remain unfulfilled, until a huge parcel arrives in the post. Nobody knows who it is for nor where it comes from but inside is a wonderful "woolly whiskey, brand-new, mustard yellow suit". One by one each of Max's six handsome older brothers tries on the suit, imagining himself wearing it as he goes about his daily business and then reluctantly deciding that he is too grown-up for such a flamboyant

THE IT-DOESN'T-MATTER SUIT
by Sylvia Plath
Faber £8.99, 41 pages

piece of clothing. Eventually Mama Nix, a dab-hand at sewing, has made so many nips and tucks in the material that there is not much of the original stuff left - just enough perhaps to fit a seven-year-old boy.

Max wears the suit with pride - so it doesn't matter that no one in his village has seen anything like it before, and because the suit is so thick and yellow it doesn't matter when Max falls into a snowdrift or gets covered in straw while milking the cows. Before long Max has become something of a local hero, envied by his schoolfriends and cooed over by the villagers who follow him around, gossiping about his sartorial style.

Plath wrote *The It-Doesn't-Matter Suit* almost 40 years ago, just four years before her suicide in 1963, but it has a freshness and sense of suspense about it - enhanced by Rotraut Susanne Berner's cheerful illustrations - that will intrigue even today's sophisticated children. Adult readers, on the other hand, will have fun marvelling at the lost treasures it contains within its pages: a mother who stays at home sewing, fox hunters unmolested by animal rights activists and a small boy who would rather own a suit than a pair of Nike trainers.

Carolyn Hart A 40-year-old children's story by Sylvia Plath is cheerfully enhanced by Rotraut Susanne Berner's illustrations

A great leap backwards

Susan Whitfield on a nostalgic but informed account of modern China

Following a visit to China in the late 1950s during the Great Leap Forward the American journalist Edgar Snow rejected reports of rural famine, yet nowadays the consensus is that 30m died.

The fact that the famine in the Soviet Ukraine was similarly denied by westerners in 1932-33 highlights the ease with which intelligent observers participate in propaganda.

Many other China watchers reiterated Snow's conclusions, even as the tragedy was being reported in the American press. Eager for communist success they were blind to its failures, and the picture of reality they presented was thereby culpably flawed.

John Gittings first visited China in 1971 during the Cultural Revolution, a movement which received widespread popular support in the west,

renewing hopes in the potential of communism. Again, it was years before many academics and journalists could bring themselves to admit that their hopes had been badly misplaced and that the real "China" they had presented was another piece of Chinese propaganda.

Western journalism almost invariably follows debate in China, which itself is government led. In the late 1970s the Cultural Revolution had become a byword for excess, for the unsavoury results of anarchy. It was viewed as one of Mao Zedong's mistakes, yet which had moved beyond his control. The following decade saw the theme treated in film and literature with increasing confidence.

But, 20 years on, another "reality" is emerging. Red Guards, tired of being portrayed as villains of the piece, have started to challenge the image of a society in chaos. And, following this up, a western scholar recently

argued, rather convincingly, that the Cultural Revolution was a well-orchestrated and state-controlled political purge, identical in most ways to Stalin's reign of terror, even down to the methods of torture.

The China presented today by party-cadres-turned-entrepreneurs is of a rapidly urbanising country outgrowing communism and its peasant past. Gittings is concerned to counter this, giving snapshots of a very different country where peasant culture, superstition and poverty persist, and where corruption is on the increase. This is the China he recognises as enduring over the past 25 years. It is the hinterland where the certainties of communism no longer exist, yet where the advantages of capitalism have not, and, he argues, may never reach.

He gives succinct and clear accounts of issues such as the debate on the Three-Gorges Dam and the growth of Christianity. But the book also

explores the over-riding concern of bureaucracy to protect itself rather than pursue corruption within its ranks and the authorities' fear of peasantry and workers in a system still calling itself a people's government.

An example of the former was seen in the recent television documentary on a Shanghai orphanage. The doctor who had brought the charges of abuse was sacked and forced to flee the country, while those condemned in the official report are even now in high positions in the Shanghai government. To illustrate the latter, Gittings reports cases of peasants who dared to challenge the legality of the imposition of prohibitive taxes and

who have been silenced by imprisonment.

The increasing use of law to challenge the system is still largely unsuccessful but does point to a trend which provides some hope for checking corruption in the future, should the judiciary ever acquire independence from politics. In the meantime the Chinese government's inability to cope with any challenge, however small, to its authority is building up a wall of discontent, even in remote rural areas.

Calling his book "Real China" is necessarily a provocation - the China of a rapidly growing urban economy is also real, as is that of urban poverty and exploitation - but at least he omits the definite article, leaving open the possibility of a multiplicity of real Chinas.

A more serious charge is that of orientalism, to which anyone involved in China is susceptible. Despite our search for the exotic, human cultures are more similar than not. This

is a banality, but orientalism has long misled by denying it and over-emphasising differences. Cannibalism occurred in China, as it did in all cultures including western Europe, among soldiers (who ate parts of their enemy to gain power or show contempt) and in times of severe famine.

Gittings recounts the research of a Chinese scholar on cannibalism in a village in Guangxi Province to illustrate both the excesses of the Cultural Revolution and the backwardness of that part of rural China, but in devoting a whole chapter to what was, after all, a local problem, he risks distorting his picture. Perhaps this is a reflection of the frustration of spending his life covering a country which offers scant information yet enormous complexity.

Gittings's account is an affectionate but slightly nostalgic view of what China may have been and his perception and his long experience make this a book well worth reading. He is not sanguine about China's chances of achieving anything more than Third World extremes of repression, poverty and corruption, but perhaps this is inevitable; after all, China is not special.

REAL CHINA: FROM CANNIBALISM TO KARAOKE
by John Gittings
Simon & Schuster £15.99, 311 pages

NEW AUTHORS PUBLISH YOUR WORK
ALL SUBJECTS CONSIDERED
Fiction, Non-Fiction, Biography, Poetry, Plays, Children's
AUTHORS WORLD-WIDE INVITED
WRITE OR SEND YOUR MANUSCRIPT TO
MINERVA PRESS
15 OLD SWANSTON ROAD, LONDON SW17 2SD

Art, Science and the unmasked of a perfect Victoria

ARTS

The art of touching the keyboard

Records/David Murray

There is a whole repertoire of music which sounds wonderful on the piano, without amounting to much in any other respect; but there are fewer and fewer pianists who can do justice to it - who know how to draw from the piano those shivering resonances, those shameless thrills that justify virtuosic trivium.

There are even Liszt "specialists" these days who concern themselves with his dark, scrawny later works, but cannot make a Hungarian Rhapsody snap and crackle. Many modern pianists think the range of pure piano-stuff that Bolet and Cherkassky used to embrace is unworthy of their attention; their touch suffers by that neglect more than they realise. For it is not a matter of mere speed and power, which can be practised up; it is much more a business of delicate balances, of exact appreciation of the different registers of the instrument, of the precise placing of sounds. Some of Bolet's most brilliant encores were pieces that would not tax a ninth-grade student.

Still, piano addicts are not quite bereft, as a few recent CDs by younger-generation pianists demonstrate. Marc-André Hamelin, who has already recorded extraordinary performances of Alkan's fearsome *Concerto for solo piano* and his *Grande Sonate*, has added a pendant in the form of the two earlier, less strenuous *Concerti da Camera* (Hyperion CDA66717, with Martyn Brabins and the BBC Scottish Symphony), just as immaculately played.

On the same disc are two works by the forgotten pianist-composer Henselt, who was born a year after Alkan and likewise died the year after him. His F minor concerto, like his "Variations de concert" on a Meyerbeer air, reveals spectacularly in what the instrument can do, as does Hamelin. Do not expect any musical revelations (you can guess in advance how almost every tune and every harmonic sequence will proceed); but the pianism is joyous.

The young Swedish pianist Love Derwinger shows astonishing maturity and clear command in a much later Romantic concerto, Max Reger's very

grand one (op. 114, also in F minor on BIS-CD-711, with the *Suite in three parts*). Though its specific proportions, and even the characters of its three movements, plainly echo Brahms's D minor concerto, Reger's relentless chromaticism might seem clogged and indigestible. With Derwinger's ringing assurance and noble incisiveness, however, and with Leif Segerstam's judicious conducting of the Norrköping Symphony, it compels respect.

There are even Liszt "specialists" these days who concern themselves with his dark, scrawny later works, but cannot make a Hungarian Rhapsody snap and crackle. Many modern pianists think the range of pure piano-stuff that Bolet and Cherkassky used to embrace is unworthy of their attention; their touch suffers by that neglect more than they realise. For it is not a matter of mere speed and power, which can be practised up; it is much more a business of delicate balances, of exact appreciation of the different registers of the instrument, of the precise placing of sounds. Some of Bolet's most brilliant encores were pieces that would not tax a ninth-grade student.

Still, piano addicts are not quite bereft, as a few recent CDs by younger-generation pianists demonstrate. Marc-André Hamelin, who has already recorded extraordinary performances of Alkan's fearsome *Concerto for solo piano* and his *Grande Sonate*, has added a pendant in the form of the two earlier, less strenuous *Concerti da Camera* (Hyperion CDA66717, with Martyn Brabins and the BBC Scottish Symphony), just as immaculately played.

On the same disc are two works by the forgotten pianist-composer Henselt, who was born a year after Alkan and likewise died the year after him. His F minor concerto, like his "Variations de concert" on a Meyerbeer air, reveals spectacularly in what the instrument can do, as does Hamelin. Do not expect any musical revelations (you can guess in advance how almost every tune and every harmonic sequence will proceed); but the pianism is joyous.

The young Swedish pianist Love Derwinger shows astonishing maturity and clear command in a much later Romantic concerto, Max Reger's very

after returning from a long Italian visit with her husband, the painter Wilhelm Hensel. It is much less quaint, much broader, stronger and truly imaginative than anyone might have guessed before Miss Rothenberg addressed herself to it with such fine, urgent sympathy. As Fanny was a respectable wife, the family discouraged her from pursuing a composer's career; the loss is ours.

The Art of Touching the Keyboard is a title borrowed from Couperin ("L'Art de toucher le clavecin") by Judith Weir, for a delectable, characteristically fresh and pearly little sonata for William Howard. It is collected with several other short Weir ensemble pieces on Collins 14632, most of them involving a piano or two, usually with the splendid Susan Tomes at it. They make a winning introduction to Weir's gentle, original art; and more particularly, to the playful delight she takes in exploring the airy possibilities of piano-sound. Not many composers do that now, and hardly any has a lively, open ear like hers.

Just occasionally, Lane betrays the sheer effort required, and the fact that he is not Viennese (rhetorical delays on upbeats are unidiomatic, and sound ponderous); but he has the authentic *ping* and pounce, and sparkles to perfection in the treble.

The once popular music of the Cuban Ernesto Lecuona (1896-1963) is re-emerging on BIS discs, in the utterly idiosyncratic hands of Thomas Tirino. No really sensational virtuosity is demanded, but anything less than full-hearted commitment would sound like slumping. On Vol. 1 (BIS-CD-754), Tirino plays the *Rapsodia Negra* with orchestra, all the *Musica Española* (including the evergreen *Malagueña*) and much else besides with complete, unabashed conviction. Uncomplicated pleasures, but genuine.

Something much more genteelly refined, and a century older, comes on an American import (Arabesque Z6666). Sarah Rothenberg performs - nay, re-creates - *Das Jahr, "The Year"*, a musical calendar by Mendelssohn's beloved sister Fanny. She composed it

Men adrift in a sea of oestrogens

Television/Christopher Dunkley

How typical of the people in television. Having ridden the feminist bandwagon for years, decades even, they feel a twinge of guilt about having overstated the case and so, all of a sudden, they start making programmes about men.

But whose attitudes do these programmes convey? Of course, the feminists. You can scarcely switch on television at present without finding a programme with a masculine word in the title: *A Man's World*, *Assault On The Male*, *A Bad Time To Be A Man*, *The Male Survival Guide* and so on. And what is the BBC's umbrella title for its season? *The Trouble With Men*. Imagine a season called *The Trouble With Women*: they would all be hauled in front of tribunals.

The whole thing got off to a confused and confusing start with *Why Men Die Younger* on BBC2 last Sunday. In an attempt to prove that what really counts is nurture, not nature, this showed an experiment in which the same baby was dressed in boys' clothes and then girls' clothes and presented to two different women.

Sure enough the women treated the child differently. But all that proves is that different women behave differently. Male logic would suggest having one mother and two babies, one a boy and the other a girl, then you would see whether there was a significant change in nurture.

The same programme told us that during the World Cup final between Italy and Brazil the testosterone level of the Brazilian fans rose whereas that of the Italian fans fell, and yet it was the Italians who rioted afterwards, suggesting that low testosterone levels can mean violence.

Perhaps this survey was carried out by the same people who proved that grasshoppers hear with their legs: they brought down a book with an almighty bang behind the grasshoppers and all of them jumped, yet stayed quite still through an equally loud noise once their legs had been cut off. The soccer survey failed to point out that the Brazilians won the match and the Italians lost. It also failed to say whether the investigators were men or women.

There seem to be questionable assertions everywhere. In *A Man's World* which begins on BBC2 on Wednesday evening we are shown a classroom in the early part of the 20th century and the voice of God on the soundtrack states "Rote learning and rigid discipline

squashed any imagination or individuality". Really? In Winston Churchill for instance? He was subjected to plenty of both. And Dennis Potter - no imagination? It is, of course, much more tempting but also more questionable to say "A man's sense of himself comes through work", as Tony Parsons does in his television essay "Equal But Different" in *Without Walls* on Channel 4 on Tuesday. Then to say "Some men's sense of themselves comes through work amongst other things".

For Parsons, listening to him you realise what has happened to the generation of men who scarcely knew the pre-feminist world. Though he wants to sound like the real thing, much of what emerges from his mouth is the product of feminism. The assertion "Men had job satisfaction" is straight out of the feminist credo, a claim made repeatedly by middle-class female graduates whose agitation over equality in the workplace had

nothing to do with wanting to see their sisters, let alone themselves, down the mines and the sewers, and everything to do with wanting the salaries of barristers and brain surgeons. Can Parsons really believe you get job satisfaction from hosing pigswill out of dustbins, or working on the Ford production line, just because you are a man? Enforced camaraderie, perhaps, but hardly job satisfaction.

Amid this sudden upthrust of male interest there are programmes worth watching. Despite the patronisingly matey tone of the commentary BBC's *Male Survival Guide* on testicular cancer, prostate problems and so on, is probably very valuable to many men who never discuss such matters. Television can be a remarkably intimate and comforting medium, bringing enlightenment and relief where entire families and groups of friends do not - always assuming you can bear to watch, of course.

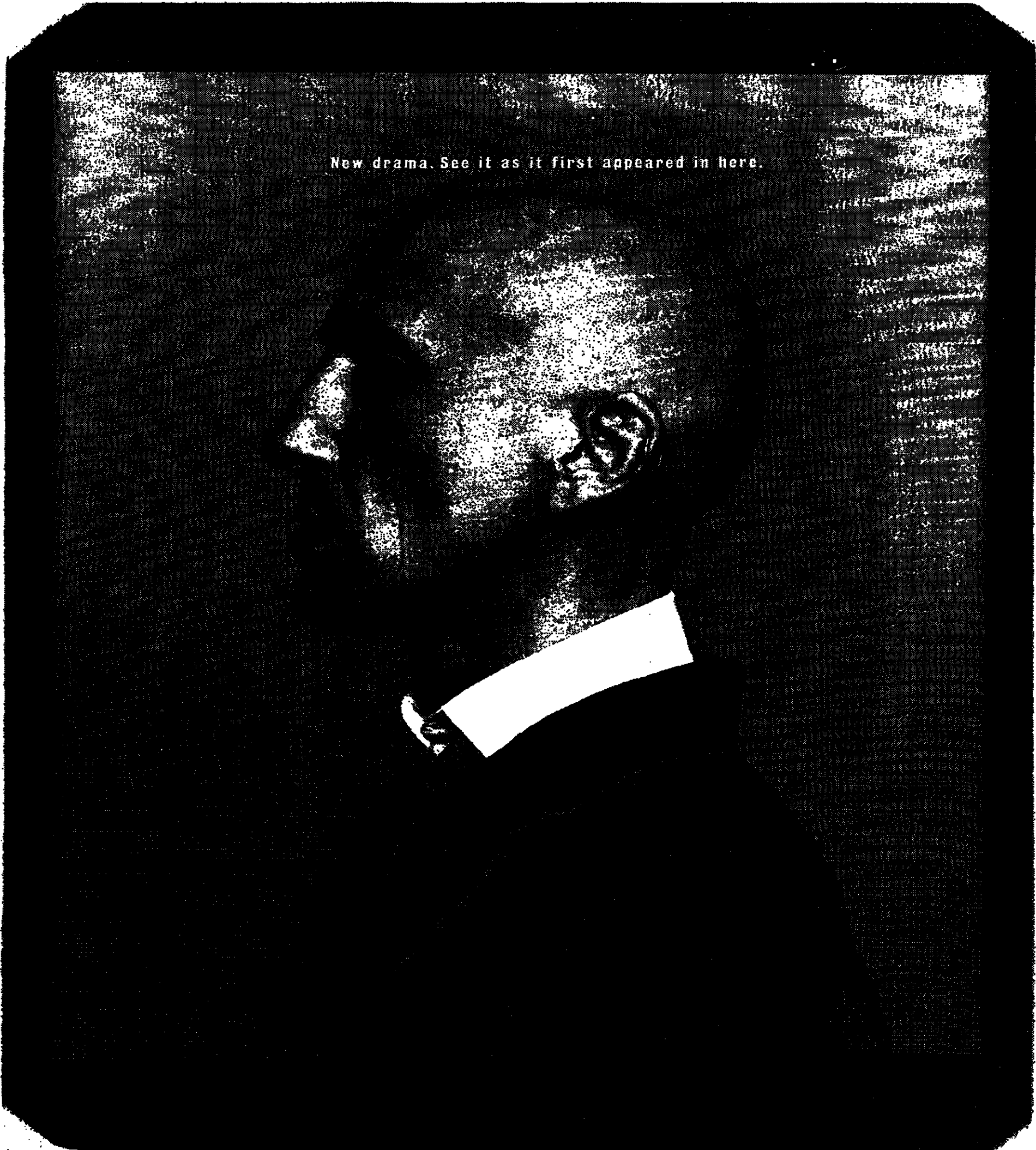
And *A Man's World* with its archive films and photographs,

and its interviews with men who grew up in the early years of the 20th century, looks like being as engrossing as the previous series in this style (*A Secret World Of Sex, Forbidden Britain* and so on) made by Steve Humphries. The accompanying book is fascinating (*A Man's World* by Steve Humphries and Pamela Gordon; BBC Publications, £12.99). The contrast between the outspokenness of many of the programmes in this sudden surge and the dreadful furtiveness regarding anything emotional or sexual so vividly described in *A Man's World* is startling.

Of course the question arises whether, within a generation or so, there will be many men around to worry about these matters. According to an exceptionally ominous edition of *Horizon* last week, sperm counts are falling even faster than the rates of testicular cancer and undescended testes are rising.

The reason, according to this programme, is almost certainly that we now live in a virtual sea of oestrogens. They exist in plastics, detergents, and crop sprays. To alter this you would have to alter the whole modern world. We may already have accepted a Faustian bargain: fast cars and plastics at a cost of plummeting sperm counts. It makes a change from all those scare programmes about the population explosion.

Creative thought deserves powerful communication. Right now, AT&T is working with three of London's leading theatre companies to bring plays to the stage that are every bit as fresh, innovative and challenging as their creators intended them to be. They are: Naomi Wallace's 'Slaughter City' by the Royal Shakespeare Company in the Pit, '1953' by Craig Raine at the Almeida Theatre and 'The Ends of the Earth' by David Lan at the Royal National Theatre in the Gielgud. We're proud to be involved and we wish them every success.



New drama. See it as it first appeared in here.

Music as the food of thought

Radio/Martin Hoyle

According to Radio 4's *Science Now* there is a theory drifting around that students who listen to classical music are brighter than those who listen to pop, noticeable in the short, indeed immediate, term. Accordingly, experiments are to be carried out with school-children, setting them some academic task after exposing half to ten minutes of Radio 1 and half to the same dose of Radio 3. This presupposes that their investigators will be able to tell the difference.

Perhaps those with - for want of a better phrase - cultured backgrounds might be brighter (more articulate or with a wider range of reference or whatever) than the others. The danger of isolating cerebral function from a social context was illustrated this week by Jean Aitchison, this year's Leith lecturer. *A Web of Words* skims the surface of other disciplines without really giving any their due. Thus, a characteristic Freudian theory about a subconscious slip was dismissed as "fanciful", though shallower slips are allowed; and it seemed not to occur to her that the reasons we chase a football but pursue a target might be because metaphor, and the presumably thinking class that coins it, often demands a more formal turn of phrase.

Sporadically interesting, strenuously self-ingratiating, with snatches of *Blackadder* and Tom Lehrer; but the speaker is not above setting up false idols the more easily to knock them down. She failed to reveal that the distinguished Victorian intellectual she whimsically quoted at the beginning of this week's lecture is best remembered as the author of *Eric, or Little by Little*. A sitting, unpursued, target.

The differences between the radio channels came to mind last weekend with a 90-minute play about pop-singer Sam Cooke ("Wonderful World", "Rockin' the Night Away") on Saturday and, on Sunday, the

two-hour *Song of Dorset*, an evocation of Thomas Hardy's literary landscape and a glance at the present Dorset cultural scene. Hardy was on Radio 2, Sam Cooke on 4. *A City Called Glory* was monotonous in sound and mood, a fatal flaw when leading up to midnight and listeners' heads are nodding, and portentous in content. The Dorset visit completed by Christopher Cook was slightly shabby in presentation but would not have been out of place on Radio 4.

Since the BBC went to the trouble of drawing rigid demarcation lines between the imagined audiences to its channels, can it now be yearning for the old mixtures, the Home Service with midday fare that included Haydn symphonies and Max Wall in *Workers' Playtime*? Or the *Light Programme* where *The Early Cotton Band Show* rubbed shoulders with *Hedda Gabler* and *Pagliacci*? If so they should concentrate on liberalising other channels than Radio 3, set up as a safe haven for eggheads who do better in exams after ten minutes of Mozart than Sam Cooke.

Where to consign the music quiz, *Counterpoint*? Last week its bright contestants were patently happier with classical questions than the middle-of-the-road trivia too often thrown in. Here they differ from the question-master, Ned Sherrin, whose recent reference to Verdi's *Ballo in Maschera* may be conceded as a Freudian slip even by the Reith lecturer, sneering at questions for dealing with composers' lives rather than their music - a bit rich coming from the master of the extra-artistic anecdote. Perhaps the fact that there was no question on Stephen Sondheim in the show rattled him. Sondheim has a higher total of regular mentions in this music quiz than Mozart or Beethoven. There is a place for Ned Sherrin. It is called Radio 3.

COLLECTING

Maastricht's transformation

Susan Moore looks at the way Europe's pre-eminent fine art fair has developed

Gambler's dream of devising an infallible system. If there is such a thing as a winning formula for a fine art and antiques fair, the European Fine Art Foundation could be forgiven for believing it has found it. Its flagship event, the European Fine Art Fair at Maastricht in the Netherlands, March 9-17 this year, has been transformed during the last eight years into the pre-eminent European fair, and arguably the one truly international art and antiques extravaganza.

Last year, almost three-quarters of the exhibitors were non-Dutch - this year the percentage is slightly higher, with 160 participants representing a dozen countries. Moreover, 38 per cent of visitors to the 1995 private view came from abroad.

Such is the foundation's confidence in its formula that last year it launched a second fair, in Basle, aimed at a central and southern European audience. In spite of modest attendance figures - 12,500 (Maastricht last year attracted 52,000) - the Tefaf board is exploring the possibilities of an American edition.

Fairs are an expensive and risky way for dealers to do business but,

as Ben Janssens of The Oriental Art Gallery put it: "We feel there are not enough people coming to the shop. Exhibiting at fairs is the only way of renewing our client-base."

Maastricht's success is due in large part to the tireless efforts of its board of exhibiting dealers to improve and refine. Without doubt, the fair is more diverse and more international than it was a decade ago, and standards have been raised across the board.

The Maastricht of the 1980s was confined to three sections: paintings, works of art and textiles. Now it embraces drawings and prints, antiquities, books, manuscripts, maps and "la haute joaillerie du monde". This year fine wines have been introduced. But these attempts to be all things to all men have their drawbacks. Maastricht is a less familiar, coherent and cosy fair.

It is even a shadow of its former self, in one respect. A decade ago one was guaranteed an impressive selection of the finest carpets, tapestries and other textiles available. This year there is no John Eskensz, of Milan and London, and no Textile Gallery of London - both choosing to show at the new International Asian Art Fair in New York later in the month. Of the leading founder members

of "Textura" only Bernard Blondeel remains, offering among other things a typically spectacular suite of four Flemish "pergola" tapestries of around 1600. Woven with pots and swags of flowers within arcades or pergolas, and with landscape vistas beyond, such sets of tapestries were conceived for indoor winter gardens. Price tag, Flm.

Maastricht would do well to continue to broaden and improve its core sections rather than keep tentatively branching out. To this end, it is good to see the French furniture dealers back in force, and the London furniture dealers Mallett and the Polman Gallery. The new book offers a welcome antidote to ponderously gloomy Dutch, Flemish and German furniture.

The works of art section is also enhanced by the arrival of Blumka and Trinity Fine Art, and dealers of the calibre of Gisèle Croes returning with such rarities as a set of eight Tang dynasty mural paintings of court ladies.

The range of the picture section, the backbone of the fair and its biggest international crowd-puller, has similarly broadened, with dealers such as Huguette Beris showing French 19th century works rather than the ubiquitous Dutch Roman-

This year's signing up of French & Co, one of the largest and certainly most expensive of the New York Old Master dealers - Manhattan's answer to Richard Green - is considered a real coup, not least because the gallery has never shown at a fair before. Newcomers also include Silvano Lodi of Milan and Cloris Whitfield of London, best known for Italian Old Masters. Whitfield is exhibiting at Maastricht simply because it is "the best fine art fair around".

Taking a bow is Otto Naumann of New York, whose inaugural show promises to be a real coup de théâtre. Naumann is giving Maastricht its first Rembrandt oil, a rarely seen oval portrait of a young man which can be bought for \$4.8m. He is also exhibiting a number of surprises that "absolutely none of my colleagues have seen" - American exhibitors - and their clients - are needed by Maastricht. What most concerns the Maastricht board, Knight says, is how to encourage "a new, more enthusiastic and wealthier audience through its doors... And the most excited audience these days comes from the US." Today, when there is a dearth of high quality works of art on the

market, unfamiliar stock and fresh pairs of eyes are needed.

To suggest something of the range of objects and jewels to tempt them, Jan Dirven of Antwerp, for instance, offers a chased and enamelled copper-gilt Virgin in Majesty of around 1570, with the apostles Peter and Paul depicted on the reverse. Rather late for Limoges perhaps, but a great market rarity. Those with a taste for Frans Hals might visit the Haboldt stand to see the portrait of the clergyman, poet and historian Samuel Ampzing.

Newhouse has an Arcadian wooded river landscape with ruins by Gaspard Duchet and Prinz & Müller a giltwood armchair after a design by Schinkel inspired by Pompeian furniture.

More conspicuous consumers might be dazzled by the pair of late 19th century silver-plated chandeliers with their original gilded glass shades believed to have belonged to the richest man in the world (Mallett). Cartier presents a 1930s platinum, ruby and diamond necklace that belonged to Lady Granard, née Ogden Mills, an American grande dame rarely seen without tiara. Said Chips Channon: "Lady Granard could scarcely walk for jewels."



Frans Hals's portrait of the clergyman, poet and historian Samuel Ampzing

Showing now: Innocent X

Even viewed through a sequence of doorways from the top of the National Gallery's main stairs, Velásquez's portrait of Pope Innocent X compels your gaze. Once drawn into the Mond Room and confronting one of the most celebrated portraits in the history of western art, and an image made even more famous this century by Francis Bacon's diabolical transmutations, you face, simply, the most spectacular gallery wall in London.

Until May 19, the gallery hosts a dozen or so masterpieces from the Doria Pamphili Gallery in Rome, one of the world's finest private art collections and one of the city's most under-visited museums. In the days when the loans of great pictures are secured only after months or years of diplomacy, the National Gallery found itself not only being offered works from the Rome gallery while it was closed for rewiring but instructed to take the pick of its best.

Only a handful of the Pamphili treasures have been lent from the collection founded in 1650 by the Pamphili pope, Innocent X. In his palazzo, Velásquez's portrait has a room to itself. Here, it is flanked by two other likenesses, a marble bust by Bernini and another Baroque *bour de force*, in bronze and porphyry, by Alessandro Algardi. Velásquez's image is the most unflinching yet even it hardly does justice to the pope's reputation as the ugliest man in Rome. But we do find harshness in an expression likened to "that of a cunning lawyer", and an implicit menace heightened by the artist's masterly orchestration of hot crimson tints. Pigment and canvas are here made flesh and blood.

Holding their own either side of this powerful papal triumvirate are superb early works by Guercino and Caravaggio. Guercino's monumental tenebrist canvas, illustrating a passage of Tasso, has Erminia rushing to the battlefield to tend the wounds of her beloved Tancred. It is a work of passion and drama, of the days when - in Guercino's own words - the paint bubbled in the pots. Luminous velvet-soft ivories and ochres off-set oily greys and petrol blue. Caravaggio's poetical, idio-

syncratic "Rest on the Flight into Egypt", in contrast, has not a whiff of *chiaroscuro*, but glowing Venetian colour combined with earthy characterisation. What else is here to beguile us? Titian's glorious Judith - some say Salome - perhaps with the artist's own likeness serving for the severed head on the platter. Raphael is represented by an intense double portrait of his friends Navagero and Beaziano, humanist and diplomat. The pair of lyrical Claudes confirm him as a

sublime landscape painter and execrable painter of figures. It is an odd irony that the pictures can be seen better in the National Gallery than hung high on their own far grander walls, and a compliment to the London gallery that they are here (a circumstance perhaps partly explained by the Princess Doria Pamphili having married an Englishman and educated their son there). But the vitality and patina of her family pictures also serve as a reproach. Cleaning paintings is not inevitably for the better.

S.M.

BADA ANTIQUES FAIR

THE DUKE OF YORK'S
HEADQUARTERS, CHELSEA, LONDON SW3

19-26 MARCH 1996

CHARITY GALA 20 MARCH
TICKETS: ACTION ON ADDITION, TEL: 0171 753 1011

WEEKDAYS: 11.00am-6.00pm WEEKENDS: 11.00am-7.00pm
CLOSES: WEDNESDAY 20 MARCH AT 6.00pm. LAST DAY AT 6.00pm

ORGANIZERS - TEL: 0171 589 6108

TEFAF MAASTRICHT

The international fair for art and antiques

9-17 March
MECC Maastricht
Netherlands

YOUNG BLOOD

Four British Artists all under 31
Nicholas Jones Jonathan Huxley
Simon Hitchcock Sarah Hanson

Price £300 - £2,000
Until 16th March

CRANE KALMAN GALLERY

178 Brompton Rd SW3
Tel: 0171 584 7566 Fax: 0171 584 3843

Weekend FT WORLDWIDE RESIDENTIAL PROPERTY SUPPLEMENT

March 30th 1996

The supplement are renowned amongst property professionals for their success in selling, letting and managing property.

The supplement combines the editorial excellence of the FT, with the impressive presentation of advertising you would expect from a leading medium.

Editorial Topics include:

- State of the market
- Sporting properties
- New homes
- International

To let the Weekend FT's Residential Property Supplement work for you, please contact:

Emma Mullaly
0171 873 4901
Jon Banks 0171 873 4744
Nick Aldrich 0171 873 3591
Fax: 0171 873 3098

Norman Adams

4-10 Hamp Road, London SW3 1DX
1996 west 26th March
Telephone: 0171 589 2256 Fax: 0171 589 1968

A fine Hepplewhite period Pembroke table.
Circa 1780

1996 Colour catalogue of recent acquisitions available

Exhibiting at the B.A.D.A. Antiques Fair, Duke of York's, London, 19th-26th March, 1996 Stand G10

JEREMY BARLOW ROI
14th - 30th March 1996

LLEWELLYN ALEXANDER

124 - 126 The Cut, Waterloo, London SE1 8LN
(Opposite the Old Vic Theatre)
Tel: 0171-620 1322/1324 Fax: 0171-928 9469
Illustrated Catalogue available. Open Mon to Sat 10am to 7.30pm

AUSTRALIAN ART

bought and sold at

CORBALLY STOURTON CONTEMPORARY ART
APPROVED VALUERS

160 New Bond Street, London W1Y 9PA
tel: 0171 629 7227, fax: 0171 629 4494

Arthur Boyd, Prints
15th February - 14th April 1996
Full colour catalogue available

We hold the most comprehensive collection of contemporary Australian paintings sculptures and Aboriginal art in Europe

Nineteenth Century ANIMAL PAINTINGS

Georg Koch "The Horse Traders" 1898 12 x 20 inches

FROST AND REED

16 Old Bond Street, London W1X 3DB Tel: 0171 629 2457 Fax: 0171 499 0290

COLNAGHI
ESTABLISHED 1790

CORNELIUS DE VOS (1584-1661)
Portrait of a Lady
Oil on panel: 122 x 91.5 cm, inscribed.

Exhibiting at
The European Fine Art Fair, Maastricht
9-17 March - Stand 420

11 OLD BOND STREET LONDON W1Y 9JL
TELEPHONE: 0171-491 7498
FACSIMILE: 0171-491 8961

21 EAST 67th STREET NEW YORK NY 10021
TELEPHONE: 212-772 2266
FACSIMILE: 212-737 8525

RICHARD GREEN

3m Both (over 1615-1625)
A mountainous landscape with sheepfold and goats.
Signed. Canvas: 20 1/2 x 25 1/2 x 63.5 cm

Exhibiting at The European Fine Art Fair Maastricht, The Netherlands

9th - 17th March 1996.
Stand Number 316. Telephone: (00 31 43) 383 8651

33 New Bond Street, London W1Y 9HD
Telephone: 0171-499 5553 Fax: 0171-499 8509
New York: 518-583 2060

IN TRUST for the NATION
Paintings from National Trust Houses
Until 16 March 1996

Sponsored by Barclay Bank PLC

BARCLAYS

Monday to Saturday 10am - 6pm
Sunday 11am - 6pm
(last admission 5.15pm)
Wednesdays until 8pm
(last admission 7.15pm)

Admission Concessions

National Gallery Information 0171-747 2885

The National Gallery, Southampton Wing, Entrance, Trafalgar Square, London WC2

Minet Fine Arts Insurance for Connoisseurs and Collectors

An Owl Coconut Cup with Parcel-gilt Mounts Antwerp 1548-49

Reproduced by kind permission of Axel Vervoordt Stand 122

MINET HOUSE, 66 PRESCOT STREET, LONDON E1 8HG
Tel: 0171-481 0707 Fax: 0171-488 9786
and over 100 offices worldwide

LONDON PARIS FLORENCE SINGAPORE HONG KONG

INTERNATIONAL ARTS GUIDE

What's on in the principal cities

AMSTERDAM

CONCERT Concertgebouw Tel: 31-20-5730573
Jard van Nes: accompanied by pianist Gerard van Elk. The mezzo-soprano performs songs by R. Strauss, Anshik, Zemlinsky and Tchaikovsky; 8.15pm; Mar 5
Valery Afanassiov, Gidon Kremer and Mischa Maisky: the pianist, violinist and cellist perform Shostakovich's Piano Trio No. 1, Violin Sonata, Cello Sonata and Piano Trio No. 2; 8.15pm; Mar 3
Tatiana Shebanova: the pianist performs works by Chopin, Rachmaninov, Prokofiev and Debussy; 8.15pm; Mar 8
OPERA Het Muziektheater Tel: 31-20-5618117
L'Incoronazione di Poppea: by Monteverdi. Conducted by Christophe Rousset and performed by De Nederlandse Opera. Soloists include Cynthia Haymon, Brigitte Balleys and Ning Liang; 7pm; Mar 5, 9, 12, 14

BALTIMORE

CONCERT Joseph Meyerhoff Symphony Hall Tel: 410-783-5000
Baltimore Symphony Orchestra: with conductor Hans Vonk and violinist Herbert Greenberg perform Prokofiev's Violin Concerto No. 2 and Beethoven's Symphony No. 2; 8.15pm; Mar 8, 9

BERGEN

CONCERT Grieghallen Tel: 47-55-216150
Bergen Filharmoniske Orkester: with conductor Serge Baudo and pianist Jean-Yves Thibaudet perform works by Smetana, Rachmaninov, Ravel and Janacek; 7.30pm; Mar 7

BASEL

EXHIBITION Kunstmuseum Basel Tel: 41-61-2710228
Pablo Picasso: Die illustrierten Bücher: exhibition of illustrated books that Picasso created throughout his career. The exhibits come from a private collection and from that of the Hanspeter Schultess-Oeri Stiftung in the Kupferstichkabinett in Basel; to Mar 10

BERLIN

CONCERT Konzerthaus Tel: 49-30-203092100/01
Symphony No. 9: by Mahler. Performed by the Sinfonieorchester des Mitteldeutschen Rundfunks, with conductor Daniel Nazareth; 8pm; Mar 4
OPERA Deutsche Oper Berlin Tel: 49-30-3439401
André Chénier: by Giordano. Conducted by Rafael Frühbeck de Burgos and performed by the Deutsche Oper Berlin. Soloists include Giorgio Merighi and Elena Filipova; 7.30pm; Mar 5, 15
Elektra: by R. Strauss. Conducted by Jiri Kout and performed by the Deutsche Oper Berlin. Soloists include Leonie Rysanek, Gwyneth Jones, Karen Huffstodt, Peter Gougaloff and Gerd Falkhoff; 8pm; Mar 6, 9 (7pm)
Komische Oper Tel: 49-30-202600
Falstaff: by Verdi. Conducted by Yakov Kreizberg and performed by the Komische Oper. Soloists include Passow, Koronid, Bankiewicz, Braun and Heldermann; 7pm; Mar 15
Staatsoper Unter den Linden Tel: 49-30-2028661
Tancredi: by Rossini. Conducted by Fabio Luisi and performed by the Staatsoper Unter den Linden. Soloists include Jeffrey Francis and Jochen Kovalewski; 7pm; Mar 4, 7

BOSTON

CONCERT Boston Symphony Hall Tel: 1-617-265-1492
Boston Symphony Orchestra: with conductor Roger Norrington and cellist Lynn Harrell perform works by Smetana and Dvořák; 10.30am; Mar 7, 8 (8pm), 9 (1.30pm)

CHICAGO

CONCERT Orchestra Hall Tel: 1-312-435-6666
Chicago Symphony Orchestra: with conductor Riccardo Chailly perform works by Ives and Stravinsky; 8pm; Mar 7, 8 (1.30pm), 9, 12 (7.30pm)

COLOGNE

CONCERT Kölner Philharmonie Tel: 49-221-2040820
Andrés Schiff: the pianist performs works by Bartók and Haydn; 8pm; Mar 6
Barbara Hendricks: accompanied by pianist Stefan Scheja. The soprano performs songs by Schubert, Wolf, Poulenc and Schoenberg; 8pm; Mar 3
OPERA Opernhaus Tel: 49-221-2218240
Die Zauberflöte: by Mozart. Conducted by Georg Fischer and performed by the Oper Köln. Soloists include La Pierre, Hartmann, Lascaro, Collis and Finks; 7.30pm; Mar 7

COPENHAGEN

OPERA Det Kongelige Teater Tel: 45-33 14 10 02
Die Entführung aus dem Serail: by



Anne-Sofie von Otter, singing in Paris and Lyon

Mozart. Conducted by Andrew Greenwood and performed by the Royal Danish Opera. Soloists include Lena Nordin, Djina Mal-Mai and John Laursen; 8pm; Mar 9, 14

DRESDEN

CONCERT Sächsische Staatsoper Dresden Tel: 49-351-49110
Sächsische Staatskapelle: with conductor Bernard Haitink and pianist Andras Schiff perform Beethoven's Piano Concerto No. 4 in G major and Shostakovich's Symphony No. 5 in D minor; 8pm; Mar 9

DUSSELDORF

CONCERT Tonhalle Düsseldorf Tel: 49-211-8992081
Bolshoi Symphony Orchestra Moscow: with conductor Alexander Lazarev and cellist Alexander Rudin perform works by Mosolov, Dvořák and Tchaikovsky; 8pm; Mar 6

EDINBURGH

CONCERT Edinburgh Festival Theatre Tel: 44-131-5296000
The Official Tribute to The Blues Brothers: a homage to the music of Jake and Elwood Blues, starring Brad Henshaw and Simon Foster; 8pm; Mar 5, 6, 7, 8, 9 (8pm & 9pm)

ESSEN

EXHIBITION Museum Folkwang Tel: 49-201-8845314
In Sichtweite: this exhibition focuses on the contrasts and similarities in the work of the contemporary German painters Birgit Luxenburger and Dorothee Rocks; from Mar 7 to Apr 14

FLORENCE

CONCERT Teatro Comunale Tel: 39-55-211158
Orchestra del Maggio Musicale Fiorentino: with conductor Lawrence Foster and pianist Emanuel Ax perform Brahms' Piano Concerto No. 2 and Shostakovich's Symphony No. 1; 8pm; Mar 8, 9, 10 (3.30pm)

FRANKFURT AM MAIN

EXHIBITION Schirn Kunsthalle Tel: 49-69-2998820
Prospekt 98: exhibition devoted to photography and its role in modern art. The display includes works by John Baldessari, Lewis Baltz, Gilbert & George, John Hilliard, Cindy Sherman, Jeff Wall, Boyd Webb and many other - mostly young - artists; from Mar 9 to May 12

GHENT

CONCERT De Vlaamse Opera Tel: 32-9-2230681
La Forza del Destino: by Verdi. Concert performance by De Vlaamse Opera, conducted by Daniel Lipton. Soloists include Henk van Heijnsbergen and Soya Smolyaninova; 8pm; Mar 8, 10 (8pm), 12, 14

GLASGOW

CONCERT Glasgow Royal Concert Hall Tel: 44-141-3326633
Messa da Requiem: by Verdi. Conducted by Christopher Bell and performed by the Scottish Opera Orchestra and the Strathclyde Schools Chorus. Soloists include Elizabeth Hetherington and Frances McCafferty; 7.30pm; Mar 5

GOTHENBURG

DANCE Gästeborgs Operan Tel: 46-31-108000
Eva: world premiere of a choreography by Robert North to music by Howard Blake, performed by the Gothenburg Ballet. Soloists include Darren Parish, Tim Liljequist, Michio Hayashi, Erin Aycan, Sheri Cook and Mia Johansson; 7.30pm; Mar 8

HAMBURG

OPERA Hamburgische Staatsoper Tel: 49-40-351721
Elektra: by R. Strauss. Conducted by Simone Young and performed by the Hamburg Oper. Soloists include Leonie Rysanek, Janis Martin, Inga Nielsen, Franz Grundheber and Horst

Hiestermann; 8pm; Mar 5

HELSINKI

OPERA Opera House Tel: 358-0-403021
Otello: by Verdi. Conducted by Maurizio Barbacini and performed by the Helsinki Opera. Soloists include Gardar Cortes, Jukka Rasilainen, Jorma Silvasti and Matti Heikkilä; 7pm; Mar 6, 13

LAUSANNE

CONCERT Théâtre de Beaujeu Tel: 41-21-6432211
English Chamber Orchestra: with conductor/violinist Pinchas Zukerman perform works by Rossini, Mendelssohn and Beethoven; 8.15pm; Mar 4
OPERA Théâtre de Beaujeu Tel: 41-21-6432211
Opéra de Lausanne: and the Orchestre de Chambre de Lausanne with conductor Jesús Lopez Cobos perform Pergolesi's La Serva Padrona and Rimsky-Korsakov's Mozart et Salieri. Soloists include Isabel Monar, Bruno Praticò, Valery Serkin and Sergei Zadovny; 8pm; Mar 3, 5 (8pm), 7 (8pm), 10

LEIPZIG

CONCERT Gewandhaus zu Leipzig Tel: 49-341-12700
Gewandhausorchester: with conductor Kurt Masur and viola-player D. Hallmann perform works by Bartók and Bruckner; 8pm; Mar 7, 8
OPERA Oper Leipzig Tel: 49-341-1261261
Der Silbersee: by Well. Conducted by Wilder and performed by the Oper Leipzig and the MDR-Kammerphilharmonie. Soloists include Damm, Wangemann, Hoffstedt, Kruk, Sawelny, Petzold and Riemer; 8pm; Mar 7
Tannhäuser und der Sängerkrieg auf Wartburg: by Wagner. Conducted by Jiri Kout and performed by the Oper Leipzig and the Gewandhausorchester. Soloists include Bartha, Watson, Dick, Obem, Neumann, Chol and Scholz; 8pm; Mar 3

LISBON

CONCERT Grande Auditório da Fundação Gulbenkian Tel: 351-1-7935131
Orfeo: by Bertoni. Concert performance by the Orquestra Gulbenkian, conducted by Claudio Scimone. Soloists include soprano Cecilia Gasdia and mezzo-soprano Jennifer Lamore; 9.30pm; Mar 7, 8 (8.30pm)

LONDON

CONCERT Barbican Hall Tel: 44-171-6388891
Die Schöpfung: by Haydn. Conducted by Harry Christophers and performed by the City of London Sinfonia. Soloists include soprano Lynda Russell, tenor Thomas Randle and bass Michael George; 7.30pm; Mar 7
Vienna Concentus Musicus: with conductor Nikolaus Harnoncourt and soprano Barbara Bonney, perform Haydn's Symphony No. 52 and Symphony No. 31, and aria's from Il Mondo della Luna and L'Infedeltà Delusa; 7.30pm; Mar 4
Wigmore Hall Tel: 44-171-9352141
Sylvia McNair: accompanied by pianist Roger Vignoles. The soprano performs works by Haydn, Schubert, Messiaen, Poulenc and Bizet; 7.30pm; Mar 7
EXHIBITION British Museum Tel: 44-171-8361555
Commemorating the 19th Century: Coins and Medals by the Wyon Family: the Wyon family dominated British coin and medal production throughout the 19th century. The medals produced by the Wyon family celebrate significant historical events from the Battle of Trafalgar to the diamond jubilee of Queen Victoria, and record such phenomena as the expansion of the railways and the growth of science and cultural institutions; from Mar 7 to Sep 8
MUSICAL Shaftesbury Theatre Tel: 44-171-3795399
Tommy: the Broadway musical with music and lyrics by Pete Townshend and a book by Pete Townshend and Des McAnuff. Tommy is choreographed by Wayne Cilento and directed by Des McAnuff. Stars Paul Keating as Tommy, with

Kim Wilde, Alistair Robins and Ian Bartholomew; 8pm, Wed, Sat also 3pm; from Mar 5 (Not Sun)
OPERA London Coliseum Tel: 44-171-8360111
Don Pasquale: by Donizetti. Conducted by Michael Lloyd and performed by the English National Opera. Soloists include Donald Adams, Neil Archer, Alan Opie and Mary Hegarty; 7.30pm; Mar 8

LYON

CONCERT Opéra de Lyon Tel: 33-72 00 45 00
Anne-Sofie von Otter: accompanied by pianist Malcolm Martineau and violinist Reiner Schmidt. The mezzo-soprano performs works by Grieg, Smetana, Rangström, Blomdahl, Loeffler, Brahms and R. Strauss; 8.30pm; Mar 6

MAASTRICHT

ART & ANTIQUE FAIR MECC Tel: 31-43-3838383
The European Fine Art Fair: on this annual art and antique fair more than 160 art dealers from Europe, the US and Hong Kong present highlights of their collection, including old master paintings and drawings, oriental art, silver, jewellery, books, manuscripts and maps, tapestries, and modern and contemporary art. Highlights include two paintings by Van Gogh, portraits by Rembrandt, Rubens and Frans Hals, Rodin's 'Printemps Eternel' and works by Picasso and Matisse; from Mar 9 to Mar 17

MADRID

CONCERT Teatro de la Zarzuela Tel: 34-1-4245400
Sylvia McNair: accompanied by pianist Roger Vignoles. The soprano performs songs by Purcell, Schubert, Poulenc and Bizet; 8pm; Mar 4

MILAN

CONCERT Teatro alla Scala di Milano Tel: 39-2-72003744
Emerson Quartet: perform string quartets by Schubert, Brahms and Beethoven; 8pm; Mar 4
OPERA Teatro alla Scala di Milano Tel: 39-2-72003744
Nabucco: by Verdi. Conducted by Riccardo Muti and performed by the Teatro alla Scala. Soloists include Renato Bruson, Mariana Pentcheva and Carlo Colombara; 8pm; Mar 3, 5, 8, 10 (8pm), 12, 14, 16

MUNICH

CONCERT Philharmonie im Gasteig Tel: 49-89-48098625
Ivo Pogorelich: the pianist performs works by J.S. Bach, Beethoven, Chopin and Rachmaninov; 8pm; Mar 5
EXHIBITION Staatliche Im Lenbachhaus Tel: 49-89-2332000
Wassily Kandinsky: exhibition of more than 600 drawings, sketches, paintings and prints by Kandinsky, with special emphasis on the years he lived in Munich; to Mar 10
OPERA Nationaltheater Tel: 49-89-21851920
Sersa: by Handel. Conducted by Ivor Bolton and performed by the Bayerische Staatsoper. Soloists include Ann Murray, Kathleen Kuhlmann, Christoph Robson and Julie Kaufmann; 7pm; Mar 7, 9, 13

NEW YORK

CONCERT Avery Fisher Hall Tel: 1-212-875-5030
New York Philharmonic: with conductor Leonard Slatkin and percussionist Evelyn Glennie perform works by R. Strauss, MacMillan, Chabrier, Satie and Ravel; 8pm; Mar 7, 8 (2pm), 12 (7.30pm)
Carnegie Hall Tel: 1-212-247-7800
Mauricio Pollini: the pianist performs Beethoven's sonatas Nos. 16, 17, 18 and 21; 3pm; Mar 3

PARIS

CONCERT Maison de Radio France Tel: 33-1 42 30 22 22
Orchestre Philharmonique de Radio France: with conductor Marek Janowski and cellist Nadine Pierre perform Dutilleul's Symphony No. 1, Tout un monde lointain, Les Citations and Mystère de l'instant; 8pm; Mar 9
Théâtre du Châtelet Tel: 33-1 42 33 00 00
Arne-Sofie von Otter: accompanied by pianist Bengt Forsberg. The mezzo-soprano performs works by Fauré, Sibelius and Schubert; 5pm; Mar 3
EXHIBITION Centre Georges Pompidou Tel: 33-1-44 78 12 33
Picabia 1922: this exhibition is a reconstruction of the exhibition organised by Francis Picabia, one of the pioneers of Dada, in the Galerie Daimau in Barcelona in 1922. The display shows about 30 works; from Mar 8 to Jun 30

ROME

CONCERT Accademia Nazionale di Santa Cecilia Tel: 39-6-3611064
Orchestra dell'Accademia di Santa Cecilia: with conductor Myung-Whun Chung perform Mozart's Symphony No. 38 in D (Prague) and Prokofiev's Symphony No. 6; 5.30pm; Mar 3, 4 (9pm), 5 (7.30pm)

ROTTERDAM

EXHIBITION Museum Boymans-van Beuningen Tel: 31-10-4419400
Cindy Sherman: exhibition of a selection of 70 photographs featuring examples of the 'Untitled Film Stills' of 1977-1980 which brought Sherman international recognition. Also on show are works from her most extreme photo-series 'Disgust Pictures' (1986-1989), 'Sex pictures' (1992) and 'Horror Pictures' (1995); from Mar 10 to May 19

SAN FRANCISCO

CONCERT Louise M. Davies Symphony Hall Tel: 1-415-864-6000
San Francisco Symphony: with conductor Michael Tilson Thomas perform works by Copland and Mahler; 8pm; Mar 6, 7 (2pm), 8

STOCKHOLM

CONCERT Konserthuset Tel: 46-8-7860200
Midori and Robert McDonald: the violinist and pianist perform works by Mozart, Brahms, Shostakovich and Saint-Saëns; 7.30pm; Mar 6
OPERA Kungliga Teatern - Royal Swedish Opera House Tel: 46-8-7814300
Torre: by Puccini. Conducted by Lef Segerstrom and performed by the Royal Opera Stockholm. Soloists include Siv Wennergren, Kurt Westö and Tord Wallström; 7.30pm; Mar 4, 9 (3pm), 11

SYDNEY

CONCERT Concert Hall Tel: 61-2-250-7111
Sydney Symphony Orchestra: with conductor Edo de Waard, violinist John Harding and viola-player Esther van Stralen perform Haydn's Symphony No. 102, Mozart's Sinfonia Concertante, and Elgar's Enigma Variations; 8pm; Mar 8, 9 (2.30pm)

Arne-Sofie von Otter: accompanied by pianist Bengt Forsberg. The mezzo-soprano performs works by Fauré, Sibelius and Schubert; 5pm; Mar 3
EXHIBITION Centre Georges Pompidou Tel: 33-1-44 78 12 33
Picabia 1922: this exhibition is a reconstruction of the exhibition organised by Francis Picabia, one of the pioneers of Dada, in the Galerie Daimau in Barcelona in 1922. The display shows about 30 works; from Mar 8 to Jun 30

ROME

CONCERT Accademia Nazionale di Santa Cecilia Tel: 39-6-3611064
Orchestra dell'Accademia di Santa Cecilia: with conductor Myung-Whun Chung perform Mozart's Symphony No. 38 in D (Prague) and Prokofiev's Symphony No. 6; 5.30pm; Mar 3, 4 (9pm), 5 (7.30pm)

ROTTERDAM

EXHIBITION Museum Boymans-van Beuningen Tel: 31-10-4419400
Cindy Sherman: exhibition of a selection of 70 photographs featuring examples of the 'Untitled Film Stills' of 1977-1980 which brought Sherman international recognition. Also on show are works from her most extreme photo-series 'Disgust Pictures' (1986-1989), 'Sex pictures' (1992) and 'Horror Pictures' (1995); from Mar 10 to May 19

SAN FRANCISCO

CONCERT Louise M. Davies Symphony Hall Tel: 1-415-864-6000
San Francisco Symphony: with conductor Michael Tilson Thomas perform works by Copland and Mahler; 8pm; Mar 6, 7 (2pm), 8

STOCKHOLM

CONCERT Konserthuset Tel: 46-8-7860200
Midori and Robert McDonald: the violinist and pianist perform works by Mozart, Brahms, Shostakovich and Saint-Saëns; 7.30pm; Mar 6
OPERA Kungliga Teatern - Royal Swedish Opera House Tel: 46-8-7814300
Torre: by Puccini. Conducted by Lef Segerstrom and performed by the Royal Opera Stockholm. Soloists include Siv Wennergren, Kurt Westö and Tord Wallström; 7.30pm; Mar 4, 9 (3pm), 11

SYDNEY

CONCERT Concert Hall Tel: 61-2-250-7111
Sydney Symphony Orchestra: with conductor Edo de Waard, violinist John Harding and viola-player Esther van Stralen perform Haydn's Symphony No. 102, Mozart's Sinfonia Concertante, and Elgar's Enigma Variations; 8pm; Mar 8, 9 (2.30pm)

VIENNA

CONCERT Musikverein Tel: 43-1-5058681
Andrés Schiff: the pianist performs works by Bartók and Haydn; 7.30pm; Mar 3
Concentus Musicus Wien: with Nikolaus Harnoncourt and soprano Barbara Bonney in an all-Haydn programme, including Symphony No. 52 in C minor, Symphony No. 31 in D major, and a selection of arias; 7.30pm; Mar 3
OPERA Wiener Staatsoper Tel: 43-1-514442960
La Traviata: by Verdi. Conducted by Stefan Soltesz and performed by the Wiener Staatsoper. Soloists include Nancy Gustafson, Giuseppe Sabbatini and Dmitri Hvorostovsky; 7.30pm; Mar 4, 8, 12

WASHINGTON

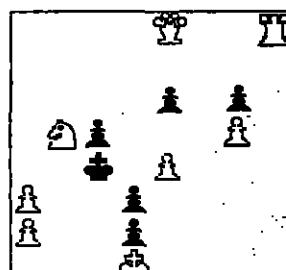
CONCERT Concert Hall Tel: 1-202-467 4600
National Symphony Orchestra: with conductor Hugh Wolff and violinist Cho-Liang Lin perform works by Stravinsky, Haydn, Bolcom and Beethoven; 8.30pm; Mar 7, 8, 9, 12 (7pm)
Opera House Tel: 1-202-416-4600
The Domingo Gala: gala performance welcoming tenor Plácido Domingo in his new role as artistic director of The Washington Opera. The programme spotlights not only Domingo, but also bass Samuel Ramey, mezzo-soprano Denyce Graves, soprano Ainhoa Arteta, coloratura soprano Natalie Dessay, pianists Katia and Marielle Labèque, and others. Leonard Slatkin and Heinz Fricke conduct; 7pm; Mar 10
JAZZ & BLUES Lisner Auditorium Tel: 1-202-894-6800
A 'Cannonball' Advertiser Celebration: a tribute to alto saxophonist and bandleader 'Cannonball' Adderley, with singer Vanessa Rubin, saxophonist Antonio Hart, trumpeter Cecil Bridgewater and a horn orchestra; 8pm; Mar 9
Opera House Tel: 1-202-416-4600
Così fan tutte: by Mozart. Conducted by Richard Bradshaw and performed by The Washington Opera. Soloists include Pamela Coburn, Jan Grissom and Delores Ziegler; 8pm; Mar 9 (7pm), 12, 14

ZURICH

CONCERT Tonhalle Tel: 41-1-2063434
Tonhalle-Orchester: with conductor David Zinman and violinist Sarah Chang perform works by Mendelssohn and Bruckner; 7.30pm; Mar 5, 6, 7, 8
Listing compiled and supplied by ArtBase The International Arts Database, Amsterdam, The Netherlands. Copyright 1996. All rights reserved. Tel: 31 20 664 8441.

CHESS

Nigel Short is back near the world top. First prize at Parnu, Estonia, is the latest in a string of good recent results to put the British No 1 around 12th in the next world rankings. Though it may seem inconceivable that Short, now 30, can be a world title contender in 1996 in competition with talented rivals in their early 20s, present uncertainties could yet provide a chance. Fide's new president Pyunzhinov wants an annual knock-out championship. Kasparov and other top players may boycott this event - a window of opportunity for the in-form Short, some of whose best results have been in the old Soviet Union and in brief matches (N Short v L Oll, Parnu 1996). 1 e4 e5 2 exd5 Qxd5 3 Ne3 Qe5 4 Be2 Typical Nigel. A quietly sound move avoids the complexities of 4 d4 in a currently revived opening. Nf6 5 Nf3 e6 6 h3 Bf5 7 0-0 Nbd7 8 d4 e6 9 Nh4! Play to your strengths; Short has an excellent sense of when to exchange Bs for Ns or vice versa. Bg5 10 Nxe6 hxg6 11 Bf4 Bd8 12 ax3 Nbd3 13 Be5 Nd5 14 Nxd5 exd5 15 b4 Qb6 16 e4 dxe4 Opening up the game favours White's bishops, but



White mates in three moves, against any defence (by F Gleigold). Black's only legal move is e6-e5, but this apparently simple puzzle can be hard to crack. Solution Page 11

Leonard Barden

BRIDGE

Percentages are sometimes obvious, sometimes difficult to fathom. Let us look at this hand from rubber bridge and learn the lesson.

Hand diagram showing cards for North and South in a specific suit.

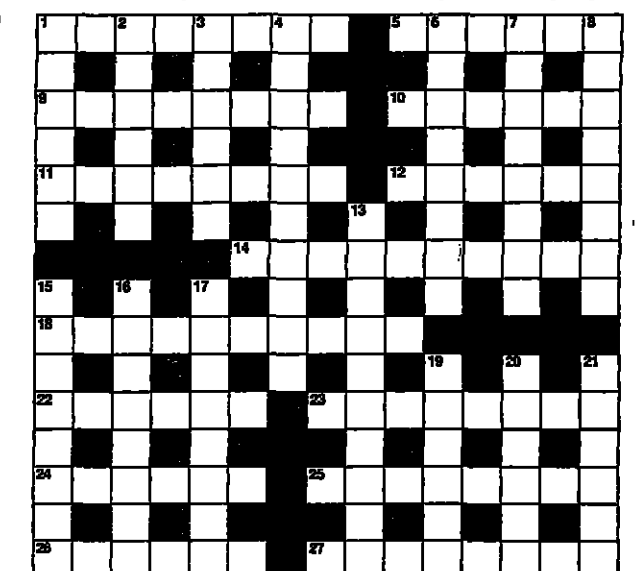
At trick two, therefore, declarer cashed ace of clubs, then the queen, crossed to the king of hearts, and played dummy's king of clubs. East showed out and the contract was doomed. The odds against the 3-3 break in clubs are approximately 6-4. But declarer could have done better by playing for a doubleton nine (or, of course, knave) to be held by one defender. He should cash the ace at the second trick, then overtake his queen with dummy's king, dropping the nine from East. The extra chance leads the contract. He leads the 10 to West's knave, setting up the eight and six, with the heart king as entry to enjoy them.

E.P.C. Cotter

CROSSWORD

No. 9,008 Set by DINMUTZ

A prize of a classic Pelican Souvenir 800 fountain pen for the first correct solution opened and five runner-up prizes of £38 Pelican vouchers. Solutions by Wednesday March 12, marked Crossword 9,008 on the envelope, to the Financial Times, Number One Southwark Bridge, London SE1 9HL. Solution on Saturday March 16. Please allow 28 days for delivery of prizes.



- ACROSS 1 Tiller girls in the second row? (4,4) 2 Crafts all known to Jack? (6) 3 Parrot is suspect in these terminals (8) 10 Thinly spread butter and jam (6) 11 Superintendent of lines in Old English, right? (8) 12 Rank set free (6) 14 Kind of chair repaired with board (10) 15 Fe-fetler? (10) 22 Daisee des Lutins an affront? (8) 23 Abhorrence of girl's appetite (8) 24 Show of respect for house filled with silver (8) 25 Such an article is the obvious (8) 26 Mean show? (6) 27 In the manner of the finest, outside, heat-shield (8)
- DOWN 1 Stearforth, say, to get someone into trouble (4,2) 2 Anxiety when Severn is out of control (6) 3 Oar damaged? Employ Foster (6) 4 Peak problem over hooter (10) 5 Tails of tails of election-day greens? (8) 7 Returning favour to clan brings bitter attack (8) 8 Fixes regular dates (8) 13 Hunger for salad of side-greens? (10) 15 Washed up and polished (8) 16 Doctor-poet read aloud? (8) 17 Weight lit badly in crepuscule (8) 19 Conflict widespread on street (8) 20 Chassis twisted in part? Help needed (6) 21 Little depression in school holidays? (8)

Grid of crossword solutions with words like SUBORN, PROCEEDS, OVERTEAR, etc.

WINNERS 8,996: Mrs Gill Holden, Worthing, West Sussex; T.J.N. Deaville, Almonci, Portugal; Lucy James, Bourneville, Birmingham; Mrs J. Robinson, Orford, Suffolk; Mrs G.L. Smith, Parkhead, Sheffield; Mrs V. Underwood, Kings Worthy, Hants.



James Morgan

The followers of Crackpot Marketing

Those who sell weapons provide goodies for gangsters and lose stupendous sums in the process

The eternal British preoccupation with the flood of domestic sensation tests the patience of outsiders. For them the Scott report, "arms-for-Iraq", etc resemble that other great British institution, the drawn game.

In cricket, a test match between say England and Australia, may last five days and end without a result even though one side enjoys an overwhelming advantage. The interest is in the team that has saved itself from humiliation. Salvation can come in the form of a gallant performance by a single participant, or by the rain which

brings it all to an early end. The Scott debate shares many elements with the national summer game. A government saved by a single vote; the ambiguity of Scott's conclusion; the subtleties of the double negative which deceive the eye; the judges' controversial decisions and a near-obsessive concentration on detail which keeps commentators and spectators amused even when nothing is happening. It is all too much, and so it slipped quickly from foreign news pages around the world.

In this excitement one loses sight of the main point. And the main point of the Scott report remains

the arms trade. The British government prided itself on not having behaved like the unscrupulous French. It had not sold to Saddam Hussein every lethal instrument in its armoury. Some may say that honest Gallic unscrupulousness is preferable to perfidious Anglo-Saxon distinctions between equipment and weaponry. But again this is not the point.

The point is that there was a fear that Britain could "lose market share". Iraq had to be allowed to buy something to avoid such a catastrophe. But, as we now know, Saddam Hussein got his goods for next to nothing. The British lost

£650m in unpaid export credits. The more goods sold, the more jobs "saved", the greater the market share, the greater the final losses. The unscrupulous French had, by 1989, when the last "rescheduling" had taken place, lost three times as much as the sensitive British on arms alone.

Only in this trade do socialist economics live on. Only here is it believed that there are huge national benefits to be derived from the subsidised mass production of goods on a scale that runs far beyond natural demand.

The theory in most countries is dominated by the views of the for-

mer trade minister (and diarist and ladies' man) Alan Clark. A friend of his put it this way in *The Spectator* last week: as minister he wanted to sell weapons to the "towelheads", otherwise they would "only buy from the Frogs and Krauts".

It is 40 years since the American sociologist C. Wright Mills coined the term Crackpot Realism. They were the defence planners of his day who later created the Vietnam war out of nothing. Today they are to be found among politicians and journalists who curl their lips at those who wonder if one should really be selling weapons which, if used, will inevitably defend govern-

ments from their own people rather than foreign invasion, and will ensure the deaths of nine civilians for every soldier. Those who despise such sentimentality provide goodies for gangsters and lose stupendous sums in the process.

The Crackpot College of Marketing is founded on the belief that the world's worst customers provide the best foundation for long-term business. It regularly organises huge celebrations when someone has been successfully bribed into acquiring goods for which he has no intention of paying.

It is an interesting thought that the losses that arose from sales of

weapons to Iraq or Argentine generals could have been avoided by giving every worker in the relevant industries £5,000 and 10 weeks' extra holiday.

Thanks to the realists, armaments remain the one item of international trade in which no normal commercial rules apply. Thanks to them, even the most basic analysis of cost and benefit is ignored. Thanks to them the world still subsidises guns while creating rules against subsidising butter.

James Morgan is economics correspondent of the BBC World Service.

Private View

Bloodhound in pursuit of the dogs of war

Christian Tyler meets Richard Goldstone, chief prosecutor of the UN war crimes tribunal

A permanent peace between Serbs, Croats and Muslims in former Yugoslavia may depend less on the 60,000 Nato troops stationed there than on the success of a cool and tenacious South African judge, Richard Goldstone.

Veteran investigator of violence under apartheid, he was chosen by the United Nations to bring to justice the torturers, rapists, mass murderers and other war criminals in the Balkans whose acts will otherwise certainly rekindle the embers of revenge.

"I don't think you can have peace without justice," Goldstone said, speaking in his high-security fastness on the edge of The Hague, near the specially adapted jail at Scheveningen. "At least, not a peace that's going to be enduring."

The chief prosecutor of the war crimes tribunal understands the importance of history in civil war. Every one of his meetings in former Yugoslavia, he said, begins with a history lesson. "If you're lucky it begins with world war two. More frequently it begins with the 14th century. That's because there's never been any accounting."

Could the tribunal really be a substitute for personal revenge?

"That's the whole point. I believe that very strongly."

Even though the scores would be settled far away, and by a long, cumbersome process? "It's not a cure-all," Goldstone admitted. "It's not going to remove all cries for revenge. No system of justice can ever be so perfect as to do that."

"But fundamental to all forms of justice is official acknowledgement of what happened, whether by criminal process or truth commission. These are very important functions which assist people to begin their healing process."

The tribunal, whose remit also covers the genocide in Rwanda, is the first to be set up since the Nuremberg and Tokyo trials after the second world war. This time, however, the maximum sentence will be life imprisonment, not death.

That the tribunal exists at all is due not merely to public outrage at the savagery of

so-called "ethnic cleansing". It has been made politically possible because only since the end of the Cold War has the necessary unanimity of the UN Security Council been achievable.

This week the judges held a public hearing of the case against Milan Martić, former leader of the Croatian Serbs at Knin who is accused of contravening the laws of war by ordering a cluster-bomb attack on Zagreb. He has not yet been arrested, and cannot be tried *in absentia*.

The first man to appear in the dock will be Dusko Tadic, a Serb arrested in Germany and extradited from there. He is accused of torturing and murdering prisoners at the Omar-

named within weeks. Among those indicted so far, the most wanted must be the Bosnian Serb leader Radovan Karadzic and his military commander General Ratko Mladic. They are accused of complicity in genocidal murder of up to 8,000 men after the capture of Srebrenica, for a sniping campaign which killed thousands more civilians in Sarajevo, and for atrocities committed throughout Bosnia.

Both men are still at large, and apparently still in power despite the Dayton peace accord. For in this conflict, there have been no clear winners and losers to make the capture and interrogation of war criminals simple.

Some say Judge Goldstone has an impossible task. He does not agree. "This is an incremental process, and I'm a patient person," he said. "It's a question of the international community being prepared to impose its will on governments that don't co-operate."

"But to leave war criminals in place... if that isn't calculated to prolonging war, then I don't know what is."

If the tribunal is beginning to show its teeth, that is largely due to Richard Goldstone. For instance, he has personally lobbied to secure greater co-operation from Nato commanders who were reluctant to jeopardise the fragile truce by hunting down suspected war criminals.

Goldstone's tribunal is targeting the higher-ups in the conflict - the men who gave the orders - in the interest of justice and not only because of a lack of court and prison space at The Hague. Junior defendants will be left to be dealt with by national courts.

The prosecutor refused to say whether any of the presidents of the three warring republics, now co-signatories of the Dayton peace accord, were themselves under investigation.

I asked: Are you afraid that some of those regarded most responsible will escape because it will be politically convenient?

"Not if we do our job properly."

You need the help of others to do it properly.

Richard Goldstone: 'Fundamental to all forms of justice is official acknowledgement of what happened'



Richard Goldstone: 'Fundamental to all forms of justice is official acknowledgement of what happened'

But we're getting it - more and more."

He claimed that "no decent government" would press for waivers and added: "I can assure you if any government brought political pressure on this office, I would make that public." Would you quit?

"I never believe in making those sorts of threat. It's really hypothetical and very improbable."

As it happens, Judge Goldstone is due to return to South Africa no later than August 15, two years since his appointment to The Hague, to resume his place on the country's new constitutional court.

Some commentators have called this a blow to the credibility of the war crimes tribunal. Goldstone denies it, saying there will be a smooth transition and no loss of momentum when his successor is chosen. Pressed, he admitted he would stay if the UN asked him and the South Africans released him.

Were you on the Left?

Goldstone first became a public figure in his own country. Following a series of courageous legal judgments under apartheid, he was appointed by the then white government to head three inquiries into violence.

In 1990 he investigated the police shooting of 18 people and the wounding of 381 at an anti-apartheid march in Sebokeng, Transvaal. Then he was asked to report on the death in custody of a boyfriend of the Mandelas' daughter - it proved to be a case of suicide.

Most famously, he chaired the commission of inquiry into allegations that a "third force" inside the South African security apparatus was smuggling weapons to Inkatha for use against the African National Congress.

Goldstone's interest in human rights goes back to his student days when he began to meet people who had suffered racial discrimination.

Was it your ambition to lodge in people's minds the idea that there is a moral dimension to these things, that *rechtvaardig* is not the end of the matter?

"Absolutely. Absolutely," he repeated.

Is that why you took the job?

"That's one of the reasons. I realised immediately the tremendous importance for furthering the internationalisation of human rights that this sort of tribunal should succeed."

Goldstone's enthusiasm is unforced, unfeigned. To put it more mundanely, will this tribunal actually deter individual people from raping, torturing and killing, I asked.

"Yes," he said firmly. "There's only one way to stop criminal conduct in any country or in the international community. And that's the fear of detection - and punishment."

"Certainly but South African standards," he replied with a laugh. "I suppose by international standards I was pretty much in the centre. I had strong feelings about the evils

of racial and gender discrimination - any form of irrational discrimination."

I asked him if his Jewish background was relevant.

"I'm often asked that. And I

'It's not going to remove all cries for revenge. No system of justice can ever be so perfect'

Peter Aspden

Sense and sensibilities at the skip



Healthy box office receipts at the cinema, widespread critical acclaim and saturation press coverage suggest that a lot of people who, frankly, would not know their sense from their sensibility, would quite fancy living in Jane Austen's time.

It has an appealing simplicity, I suppose. The frocks and hairstyles may have left something to be desired, but how nice it must have been to have flitted around this world of *icy bon mots* and wholesome architecture.

And how silly they all were. If you were a man, you could cause a scandal by calling unannounced on a lady; if you were that lady, you could cause one of your own by deciding to go to the opera unaccompanied. What clean, under-stated fun!

And take Sunday mornings. A simple affair indeed. There was only one thing to do: go to church. Once there, you could address the subtleties of choosing your companions, composing

a resonant one-liner with which to dismiss the sermon, and having a good old gossip about those frocks and hairstyles that were just that little bit more monstrous than your own.

All these pastoral images flashed in my mind as I discovered a new Sunday morning ritual of my own last week. It was dirty, laborious, quintessentially urban, mildly decadent, and the very antithesis of JA's universe: getting to the skip on time.

Skip, for the benefit of those readers who don't know, are ugly, inverted pyramid structures designed to collect the flotsam of contemporary life and cart it away to who knows where. You are never far away from a skip in central London. They are provided by local authorities anxious to keep the streets clean and keen to show off their minimal organisational skills. I even received a timetable to tell me when my next empty skip was due. Sunday morning, 9.15, it said. So there I was.

What did I expect? Just a moment or two of quiet solitude with my broken chair, which has supported me through several years beyond its intended life

cycle; a chance to hone my hurling-the-chair routine, due to become an Olympic demonstration sport in 2006; a symbolic purging of the past, an exuberant display of disregard for material objects. It was to be a special moment.

What I found was an entire crowd of fellow residents - at 9.15 on a Sunday morning, remember - with similar intentions, though perhaps a shade less pretentious. They were in no mood for sentimental reflection: "Thump!" went a sofa; "Bodging" responded an armchair. I hastily joined the party, a feeble "Cuhank".

We all smiled at each other. We were shedding our inhibitions along with our personal histories. Before 9.30, there was enough for a sitting room in our skip, a cubist three-piece suite, inside-out and back-to-front. Some churlish latecomers contributed with some meaningless planks of wood and piping. Cubism turned into abstract expressionism. By 9.45, our skip was full and blooming with rubbish.

More skip-loaders arrived. Lacking the hurling skills to add to the pile, they left votive offerings all around, in

the gutter, clattering the footpaths. But the skip-loaders were soon followed by the skip-seawengers. They took away from the skip. They needed things. They, too, had studied the timetable. One did not have to be a liberal softie to find the scene poignant; although one could just as well have admired this unusually robust example of demand and supply staring each other in the face.

On my way back home I passed through a small park, built in the 19th century by a local landowner to honour his family. It was full of drunks. Friendly drunks, but not the kind of people with whom you would happily swap ironic observations. What, I wondered, would the landowner have thought his family's honour?

As Sunday morning rituals go, this all proved more bracing than many a sermon I have listened to. One does not have to step far outside one's front door for similar examples. Which, no doubt, is why we all want to be Jane Austen characters, tellingly raising our eyebrows and spraining our delicate ankles in a far, far gentler world.

No 1 FOR SOLID SILVER

United Cutlers
hallmarked sterling silver
cutlery sets from £1350

Why settle for anything less than the finest solid silver cutlery on your table? There are twenty glorious designs to choose from and you will find our prices equally tempting:

44 piece set for six £1350
88 piece set for twelve £2700
Single items, larger or smaller sets available

Freepost the coupon, phone or fax for our brochure and details of our direct order service. Or visit our London showroom or our showroom and factory in Sheffield.

United Cutlers

LONDON & SHEFFIELD

Petre Street, Sheffield S4 8LL. Fax: 0114 243 7128
4 Grosvenor Street, London W1 - off New Bond Street

PHONE 0114 243 3984

FREEPOST to: United Cutlers, FREEPOST, Sheffield, S4 7ZZ (No Stamp Needed). Please send me full details of the finest silver cutlery.

Title: _____ Name: _____
Address: _____
Postcode: _____

HMS/FT/0296

WEEKEND INVESTOR

Results due next week

Table with columns: Company, Sector, Announcement date, Last year interim, Dividend (p), This year interim. Lists companies like BHP, Anglo American, etc.

Offers for sale, placements & introductions

Braxell is raising about £2.5m via a placing and open offer of 7.2m shares at 50p. Dera Solutions is to raise about £20m via a placing. First Information Group is to raise £7m via a flotation.

Bids

This time last year Trafalgar House was embroiled in a tense takeover battle for Northern Electric, the regional electricity company. Now it could end up being taken over itself.

Current takeover bids and mergers

Table with columns: Company, Value of bid (£m), Market value (£m), Bidder. Lists bids for companies like BET, Enniskerry, etc.

Directors' share transactions in their own companies

Table with columns: Company, Sector, Shares, Value (£'000), No of directors. Lists transactions for companies like Appl Graphics, Ashland Group, etc.

INTERIM DIVIDENDS

Table with columns: Company, Sector, Announcement date, Dividend (p). Lists interim dividends for companies like BHP, Anglo American, etc.

Company share price performance

Table with columns: Company, Sector, Price, Change, % Change. Lists share price performance for various companies.

Last week's interim results

Table with columns: Company, Sector, Half year profit (£'000), Interim dividend per share (p). Lists interim results for various companies.

Diary of a Private Investor

The need for brokers to go into battle - and to fight

Kevin Goldstein-Jackson on the debate over reform of London's stock exchange - and the disappointing response to an invitation to take part

The London Stock Exchange is making news again. Former chief executive Michael Lawrie recently told a House of Commons select committee examining the LSE's future that the influence of the market-making firms, and their opposition to reforms of the shared trading system, threaten to make it "largely irrelevant to its broker members".

As a private investor, I look upon my relationship with my brokers as being rather like hiring mercenaries to fight on my behalf. I would expect them to do battle with market-makers, exchange officials or anyone else standing in the way of getting me the best possible deal when I buy or sell shares.

Here was a chance for brokers to air their views on the possible extent of an order-driven system where buy and sell orders could be matched, so reducing the 'dominance' of market-makers

clearly do. There appears to be some unsatisfied demand for the ability to display individual orders. In June last year, the Securities and Investments Board (the City's chief watchdog) issued a report on market views of the stock exchange trading system. It cited one respondent as saying it was "possible currently for there to be a willing buyer and seller at a price, but for no transaction to take place because the parties were speaking to different brokers or because a marketmaker was unwilling to put the two together unless it could do so at a profit".

Advertisement for Perpetual World-Class Performance. Includes a circular image of a person and text describing investment services and performance.

Advertisement for Perpetual World-Class Performance. Includes a line graph showing share price performance from 1991 to 1995 and text describing directors' dealings.

to the realists, armaments have been avoided by any worker in the relevant...

Why I don't know, because I've experienced anti-semitism myself. My family was not killed in Europe in the second world war. I'm three and a half generations South African.

Why I say I'm doubtful is that I don't have feelings that other decent human beings shouldn't also feel.

It's being taught and used at universities. There are articles in learned magazines about a subject that has an absolutely vile and loathsome history.

That's why we're not the only ones who are not normally aware of the best means to improve ourselves. It's not that we're not normally aware of the best means to improve ourselves.

1 D ER Cutlers. Selling silver in £1350. Nothing less than silver quality on twenty glorious and you will find price.

1 D ER Cutlers. Selling silver in £1350. Nothing less than silver quality on twenty glorious and you will find price.

Weekend Investor

Wall Street

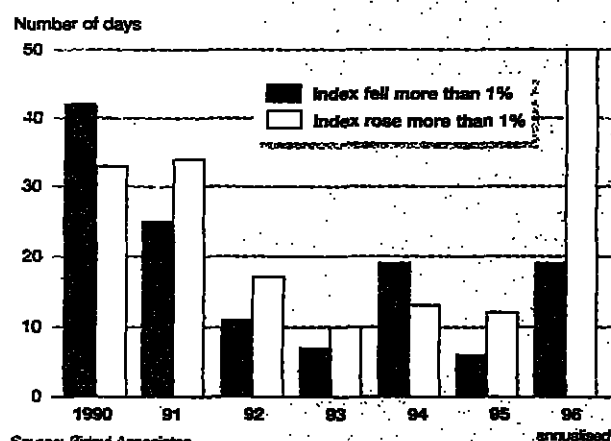
Ground Control calling Major Dow...

Lisa Bransten wonders how much longer US stocks can stay in their present orbit

Somewhere in outer space floats the satellite that came unbound from the space shuttle Columbia this week and now orbits the earth unattached. Eventually, it will lose momentum and burn up as it re-enters the earth's atmosphere.

Back on earth, much debate is taking place about whether a similar fate awaits the US stock market which tumbled through the first four days of this week after spending most of the past four months emulating a rocket freed from the burden of gravity. Unlike Columbia's satellite, however, it remains tethered by trading collars meant to prevent it from spinning off into space.

Jumpiness in the Dow Jones



Source: Birinyi Associates

So far this year, the collars that take over when the Dow Jones Industrial Average strays more than 50 points above or below its opening levels have been triggered 20 times, compared with just 28 times in all of last year. These mechanisms, which restrict programme trading, were put in place in August 1990 to prevent another computer-driven crash like 1987's one-day drop of more than 500 points, and they were triggered in every session from February 16 to February 28.

Of course, a 50-point move is not what it used to be. About this time last year, a change of 50 points represented 1.3 per cent of the blue chip index, now 50 points isn't even 1 per cent. But that the restrictions have been used so often points to an extraordinary jump in volatility.

Jeffrey Rubin, of Birinyi Associates, reckons that the Dow would, at its present pace, end with a gain or loss of more than 1 per cent higher or lower on 69 out of this year's 252 trading days, compared with 18 moves of more than 1 per cent last year and 32 in 1994. That kind of volatility has not been seen since 1987 when the Dow moved more than 1 per cent in nearly half of the year's trading sessions - and everyone knows what happened in October 1987.

But market strategists are hesitant to point to a year's erratic trading as a definitive sign that the end is near. For starters, the majority of trading restrictions this year have been put in place to slow a rising market and, in the first two months of the year, the Dow has risen more than 7 per cent, even after last week's loss of about 120 points by mid-

day yesterday.

"It's a warning sign, I wouldn't say it's a conclusive warning sign," Eric Miller, chief investment officer at Donaldson, Lufkin & Jenrette, says caustically. Although he does not think the stocks are entering a long-term bear market phase, he does think there is more room on the downside, especially with next month's first quarter reporting season coming up quickly.

Often, companies try to head off disappointments over earnings by issuing profit warnings well before they are due to issue their quarterly results, and a wave of pessimistic outlooks for corporate profits could have quite a strong dampening effect on the market. And, already, such worries are beginning to take their toll on the technology sector.

Yesterday, Compaq Computer warned that increasing competition was hurting its sales and margins, which sent its shares tumbling 7% (or 15 per cent) at 4:30 and spread shock waves through the entire personal computer sector. That led to a steep drop in shares of IBM, the Dow's priciest issue, and thus sparked a 44-point drop in the index. By lunchtime, however, the jittery shares had reversed course and blue chips had managed a gain of 15.54 at 5:00.16.

Byron Wein, who has been among the market's most bullish cheerleaders, cites the volatility as one reason behind last week's step of increasing the cash position in his model portfolio to 10 per cent from 5 per cent, thus decreasing his suggested investment in equities to 90 per cent. Wein says he is not turning bearish - for

the moment. But he adds: "There's a bear market lurking out there somewhere."

Another reason for the market's recent wild swings has been erratic trading on the bond market. The rally in bonds that, during the first trading days of the year, sent the yield on the benchmark 30-year Treasury below 6 per cent was built upon a set of stellar optimistic assumptions that have begun to return to earth in recent days.

The most important of those - that the economy was slowing sharply and might even head for recession - was developed in a data vacuum created after spats in Washington over a plan to balance the Federal budget led to the shutdown of several of the government's statistic-spotting offices.

As actual statistics emerged last month showing the economy to be weak but not necessarily recession-bound, the stock market initially tried to shrug off woes on the bond market.

But, as the long bond yield approached 6.5 per cent last week, the temptation in that market proved too much and became an additional factor hurting equities.

It might be that the economy is growing fast enough to hold up corporate profits, so keeping the market in orbit for a little while longer. But investors seem to be changing their minds daily.

Dow Jones Ind Average

Monday	5,585.10	- 65.29
Tuesday	5,549.21	- 15.88
Wednesday	5,506.21	- 43.00
Thursday	5,485.62	- 20.59
Friday		

London

Blame bonds for the gloom

Philip Coggan looks back on a lacklustre February

Goodbye, February, and good riddance. A lacklustre period for equities saw the first calendar month decline in the FT-SE 100 index since June and only the second since the start of 1995. But this should be no surprise to historians. According to the Schwartz Stock Market Handbook, shares rose by an average of just 0.26 per cent in February over the 1919-1994 period, placing the month only eighth in the calendar rankings.

Much of the blame for the weakness last month must be attributed to global bond markets. The yield on the 30-year US Treasury bond, which had dipped below 6 per cent in January, briefly reached 6.5 per cent this week. A similar setback has occurred in the gilt market. By Thursday night, the yield on the benchmark 10-year gilt had climbed to 6 per cent, more than half a percentage point higher than its level at the start of February.

Equities find it quite difficult to make progress when bond yields are rising; once investors eye the higher returns available from fixed income, they are tempted to switch from shares to bonds. By Thursday, the ratio between long gilt and equity yields had reached 2.22, its highest level since the start of 1995, so indicating that shares are looking relatively expensive.

The risks look even greater if the yield on shares is compared with that on index-linked gilts; the gap between the two is minimal (depending on which inflation assumption you use), historically a bad sign for shares.

A conventional gilt rally yesterday, on the back of a weak survey of UK purchasing managers, helped ease the pressure on shares. Or perhaps the markets were simply relieved that February was behind them. Whatever the reason, Footsie rebounded 25.1 points, finishing the week at 3,732.7, near the top of its 1996 range.

The performance of Footsie does not tell the whole story, however. The FT-SE Smaller Companies Index has outperformed the FT-SE 100 by 4.2 per cent since the start of the year. "The balance of growth in the economy in 1996 should favour smaller companies with a strong domestic focus, and we believe they will continue to outperform over coming months," says Richard Jeffrey, Charterhouse group economist.

Confirmation of the trend comes from statistics which measure the breadth of the market. Advancing stocks have outpaced declining stocks so far this year by a cumulative total of more than 5,000.

Bonds apart, the news was not so bad for UK equities this week. The results session continued without any shocks from leading companies: figures from British Aerospace, General Accident and Standard Chartered were especially well received. The combination of its European downstream operations with Mobil helped



Will markets decide that this cut is the last? LIFE via der Spiegel

shares in British Petroleum, one of the market's largest companies, rally strongly towards the end of the week.

A potential bid for Trafalgar House from Norwegian shipping group Kvaerner also ensured that the takeover bandwagon kept rolling along, and speculation had returned to the banks and some of the remaining independent electricity companies by the end of the week.

Not so good news for speculators came yesterday, however, with the Department of Trade and Industry's decision to refer the bid for Lloyds Chemists from Unichem to the Monopolies and Mergers Commission, and to ask the European Commission to allow the UK authorities to review the rival bid from Gehe of Germany.

At the start of the year, the market had two main worries. The first was that a slowing economy might hit corporate earnings and the second was politics. The government's one-vote victory in the debate on the Scott report on Monday averted the immediate crisis but it did little to reassure investors that the government would survive until the spring of 1997, when an election must be held.

But the political clouds have their silver lining. The markets seem hopeful that chancellor Kenneth Clarke will be exceptionally eager to push for a further cut in base rates when he meets Eddie George, the governor of the Bank of England, next week. Certainly, there has been enough evidence of economic slowdown to give the chancellor a plausible case, politics aside.

The key question will be whether the markets decide that this cut is the last. Short sterling futures, the market's vehicle for speculating on interest rate movements, indicate that rates will fall by June but then climb back to their present 6.25 per cent by the end of the year.

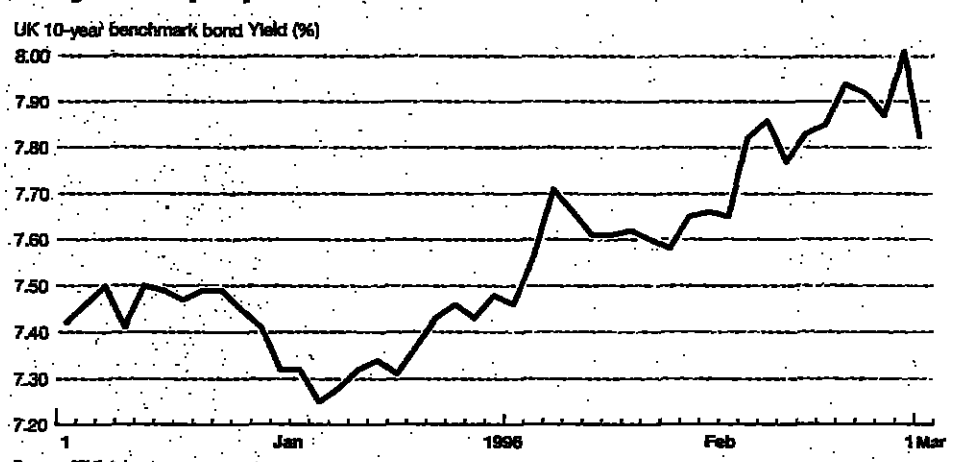
The point of the cycle when bull markets end is, all too often, when investors realise that interest rates are set to rise. Since the start of 1977, UK base rates have fallen in 15 phases and have risen in 14. In the periods when interest rates were declining, the All-Share rose by an average 19.1 per cent; in the periods when they were increasing, the All-Share managed an average gain of just 0.9 per cent.

Eight of the 14 periods of rising base rates saw falls in the All-Share, compared with only two stock market declines in the 15 phases of rate reductions. (The periods are taken from the date of the last cut to the date of the last rise, and vice versa.)

What might cause rates to rise? Money supply growth has been stronger than the Bank of England would like and the latest tax cuts will come into force in April, giving a boost to consumer wallets which will also be bolstered by building society distributions. The net effect, despite the recent signs of economic weakness, could be a UK rebound in the second half of the year.

In the perverse world of financial markets, this news, good for the rest of the population, could be bad for investors.

Gilt yields top 6 per cent



Source: FT Data

Highlights of the week

	Price	Change	52 week	52 week	
	Ytd	on week	High	Low	
FT-SE 100 Index	3722.7	+12.4	3781.3	2977.0	Wall Street volatility
FT-SE Mid 250 Index	4236.4	+28.4	4236.4	3300.9	Takeover rumours
British Aerospace	520	+29	903	461.4	Strong results
BP	545	+17.6	555	392	Mobil merger
Cowi	329	+19	329	242	Upbeat results
Dixon Motor	192	+32	192	110	Sector recovery
Dixons	467	+16.5	467	203	Brokers positive
Garrett	52	+7.5	536	404	USB upgrade
Kwik Save	490	-18	732	455.4	Brokers downgrade
London Clubs	514	+23	519	264	Gaming regulation changes
Stals	89.5	+11.4	104	74.4	Gaming rule changes proposed
Standard Chartered	640	+38	662.4	247.4	Wall received figures
Trafalgar House	447	+9.4	64	18.6	Bid talks
Transatlantic Hicks	541	+10	571	314	Good figures
Yorkshire Teat	783.4	+50.6	889.4	558	Bid talk

Barry Riley

Vote now, we'll bill you later

Politicians are taking on obligations they may not be able to honour

beleaguered governments are battling to survive at elections around the world. Today's knife-edge poll in Australia will be followed by a general election in Spain tomorrow. Italy votes next month and then Boris Yeltsin will battle against the odds for the Russian presidency. Meanwhile, the US presidential election campaign has embarked upon its prolonged rituals.

Britain's own John Major narrowly escaped facing a vote of no-confidence this week. But the chances of a summer or autumn general election are growing.

There is no common swing of the pendulum to the right or left in all this. The main theme is that sitting governments are deeply unpopular. Bill Clinton might be the exception to this, thanks largely to the disarray among his Republican challengers. But, in too many countries, the experience is likely to be much like that of France last year: a struggling administration swept away by an opposition making promises it cannot possibly keep, and itself heading straight into trouble.

That spells uncertainty for the financial markets, and the rise in political risks has been an important element in the shake-out in global bonds during February - a month in which the yields on long-dated

government securities in many countries, ranging from Germany and the UK to Japan and the US, rose by more than half a percentage point.

Governments throughout the developed world are struggling with the consequences of low growth. Projected tax revenues are persistently under-shot and social security claims are rocketing. Prudent politicians might attempt to reduce the expectations of electorates but you do not easily win elections by promising, for instance, to cut pensions. Winners must peddle a message of hope.

In the UK there is Kenneth Clarke, the chancellor of the exchequer, blandly forecasting 3 per cent growth for 1996 - although he will be lucky if it is much above 2 per cent. Public borrowing targets are slipping all the time out of reach. As for the Labour party, still apparently 30 per cent ahead in the public opinion polls, there are vague promises of acceleration of growth to be fostered, there must be high returns from new investment and great flexibility in the labour market and the planning environment. Let us be realistic, though: the national upsurge caused by a modest road by-pass around the Berkshire town of Newbury shows just how anti-growth the country has become.

Yet the political temptation to dash for growth is strong.

performance can be blamed almost entirely on "hard money" policies. Those of us who regard sterling as a soft currency drifting near its all-time low, as measured by the Bank of England's trade-weighted index, will find this somewhat surprising. The LEFG thinks the UK could devalue its way to 5 or 6 per

Governments are slow to learn the harsh lessons of the debt markets

cent annual growth without any "serious" problems with inflation.

It is a typical fantasy of politicians at Westminster to believe that juggling with monetary policy can transform the economy. But, if growth is to be fostered, there must be high returns from new investment and great flexibility in the labour market and the planning environment. Let us be realistic, though: the national upsurge caused by a modest road by-pass around the Berkshire town of Newbury shows just how anti-growth the country has become.

Yet the political temptation to dash for growth is strong.

The financial tension has been heightened by the latest back-up in bond yields. Although the headline talk has been about cuts in short-term interest rates, the fact is that the long gilt-edged yield has been rising (to 8.3 per cent on Thursday).

Even the Bank of England now thinks inflation is likely to stay below 3% per cent on at least a two-year view. So, the real interest rate on long gilts is close to 6 per cent. If these low-growth, low-inflation conditions persist, the implication is that the Bank was unloading a severe burden on to future taxpayers when it sold £3bn of a 25-year gilt on Wednesday into an unenthusiastic market. Nobody can be completely confident that those future taxpayers are going to pay up. And there will be another £3bn next month (although probably not with such a long maturity) and so on, month after month.

Even in Germany, at the core of Europe, the burden is becoming close to intolerable. True, long bond yields in Germany are only about 6% per cent - but that is up from 5.8 per cent a few weeks ago. And inflation is heading down, towards 1 per cent.

long run, be able to honour.

The political pattern is repeating itself. In France last year, Jacques Chirac had to cast aside some of his election promises, as well as a finance minister, and seek to trim his government's social security burdens. If the conservative Partido Popular wins power in Spain tomorrow from the socialists, it will similarly face a formidable challenge in tightening fiscal policy in order to move the country somewhere nearer to fulfilling the Maastricht convergence criteria.

Governments, like all feckless spenders, are slow to learn the harsh lessons of the debt markets. When they do not really need to borrow, unlimited sums are available. When they are up against it, the price rises sharply. And at some point, not easily foreseeable, the markets will slam shut against them at their hour of greatest need.

We are not very close to that point yet, but the early warning signs of a steepening yield curve and sharp fluctuations in bond yields are there to be seen.

At election time, though, politicians have more urgent issues on their minds. If they lose, the public finances will be someone else's problem, anyhow. If they win, they will surely find a solution, somehow. Meanwhile, the politicians know that the creditors have few votes.

Offshore managed funds and UK managed funds are listed in Section One

More PEP for your MONEY?

There's more for you in a self-select PEP when you talk to Killik & Co.

- Advice from your stockbroker whenever you wish.
- Unrestricted use of all qualifying investments.
- Cash: revert to cash any time, earn gross interest, reinvest when you're happy with the markets.
- Fairer: no annual percentage management fee holding back your PEP's performance.
- Free: no Killik charge when you transfer your existing PEPs to us.
- Information: ask for our latest Buy Lists with our PEP guide.

Before you decide on your next PEP, talk to one of our stockbrokers. Call today, or clip the coupon. Or fax us on 0171 461 4478.

0171 461 4400

KILLIK & Co
STOCKBROKERS
INVESTMENT WITH ADVICE

Chelsea, City, Hampstead, Victoria, West End
Internet site: <http://www.killik.co.uk>

To: KILLIK & Co, FREEPOST (SW5030), London SW1W 0YH.
Please send details of your Unrestricted PEP. I would like a stockbroker to phone me on _____
Name _____
Address _____

Post Code _____ FT2 3 95
© Killik & Co, members of the London Stock Exchange, regulated by the S.F.S. The value of any investment that the investor makes here may rise or fall and you may not get back the amount you invest. The tax treatment of PEPs may change with notice by legislation. 24 Grosvenor Gardens, London SW1W 0EX

FT MANAGED FUNDS SERVICE

FT Cityline Unit Trust Prices are available over the telephone. Call the FT Cityline Help Desk on [444 171] 873 4378 for more details.

Table of FT Managed Funds Service listing various unit trusts such as Old Mutual Fund Managers Ltd, Northshield Fund Managers - Contd., Scottish Widows Fund Manager - Contd., and others. Each entry includes fund name, manager, and performance metrics.

INSURANCES

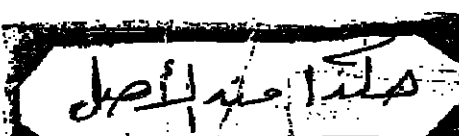
Table of Insurance companies and their products, including AXA Life, AXA Equity & Life Insurance, and various other life and general insurance policies.

OTHER UK UNIT TRUSTS

Table of other UK unit trusts including Royal Life, Royal London, and various other investment funds.

Life & Pension

Table of Life & Pension products from various providers, including Sun Life, Prudential, and others.



FT MANAGED FUNDS SERVICE

FT Cityline Unit Trust Prices are available over the telephone. Call the FT Cityline Help Desk on (+44 171) 673 4376 for more details.

Main table containing financial data for various fund categories including Equity, Bond, and Money Market. Includes columns for Fund Name, Price, and Change.

Stop! Are you about to break the law by copying from this newspaper? Under the Copyright, Designs and Patents Act 1988, except for single copies for research or private study, it is unlawful to reproduce articles from newspapers without permission.

MANAGEMENT SERVICES. Digital Trust Financial Management, Julian Hedge Bank Ltd, Langford Joseph & Sons Limited, etc.

Money Market Trust Funds. Cash Ltd (High Interest Cheque Account), The Credit Charities (Donor Fund), etc.

Money Market Bank Accounts. Allied Trust Bank Ltd, HSBC Bank plc, etc.

Money Market Bank Accounts. Bank of Ireland High Interest Cheque Account, Bank of Scotland, etc.

Money Market Bank Accounts. Barclays Select, Bank of Scotland, etc.

Money Market Bank Accounts. Citicorp Bank, etc.

Money Market Bank Accounts. Citicorp Bank, etc.

Money Market Bank Accounts. Citicorp Bank, etc.

Money Market Bank Accounts. Citicorp Bank, etc.

Money Market Bank Accounts. Citicorp Bank, etc.

FT MANAGED FUNDS SERVICE

FT Cityline Unit Trust Prices are available over the telephone. Call the FT Cityline Help Desk on (+44 171) 873 4876 for more details.

Main table containing various fund listings with columns for Fund Name, Price, and other details. Includes sub-sections like 'OFFSHORE INSURANCES' and 'OTHER OFFSHORE FUNDS'.

MANAGED FUNDS NOTES: This section provides detailed information regarding the funds, including their objectives, risks, and performance metrics.

WORLD STOCK MARKETS

NORTH AMERICA

UNITED STATES (Mar 1/US\$)

(% per close)

Table of stock market data for North America, including indices like S&P 500, Dow Jones, and various sector indices.

EUROPE

UNITED KINGDOM (Mar 1/£)

(% per close)

Table of stock market data for Europe, including indices like FTSE 100 and various sector indices.

EUROPE

FRANCE (Mar 1/FF)

(% per close)

Table of stock market data for France, including indices like CAC 40 and various sector indices.

EUROPE

GERMANY (Mar 1/DM)

(% per close)

Table of stock market data for Germany, including indices like DAX and various sector indices.

EUROPE

ITALY (Mar 1/Lira)

(% per close)

Table of stock market data for Italy, including indices like FTSE MIB and various sector indices.

EUROPE

SPAIN (Mar 1/Pes)

(% per close)

Table of stock market data for Spain, including indices like IBEX 35 and various sector indices.

EUROPE

NETHERLANDS (Mar 1/Gld)

(% per close)

Table of stock market data for Netherlands, including indices like AEX and various sector indices.

EUROPE

FINLAND (Mar 1/Mk)

(% per close)

Table of stock market data for Finland, including indices like HEX and various sector indices.

EUROPE

IRELAND (Mar 1/£)

(% per close)

Table of stock market data for Ireland, including indices like ISEQ and various sector indices.

EUROPE

PORTUGAL (Mar 1/Esc)

(% per close)

Table of stock market data for Portugal, including indices like IML and various sector indices.

EUROPE

GREECE (Mar 1/Dr)

(% per close)

Table of stock market data for Greece, including indices like ASE and various sector indices.

EUROPE

NETHERLANDS (Mar 1/Gld)

(% per close)

Table of stock market data for Netherlands, including indices like AEX and various sector indices.

EUROPE

NETHERLANDS (Mar 1/Gld)

(% per close)

Table of stock market data for Netherlands, including indices like AEX and various sector indices.

EUROPE

NETHERLANDS (Mar 1/Gld)

(% per close)

Table of stock market data for Netherlands, including indices like AEX and various sector indices.

INDICES

Summary table of various global stock indices and their performance.

US INDICES

Summary table of US stock market indices and their performance.

US INDICES

Summary table of US stock market indices and their performance.

US INDICES

Summary table of US stock market indices and their performance.

US INDICES

Summary table of US stock market indices and their performance.

US INDICES

Summary table of US stock market indices and their performance.

US INDICES

Summary table of US stock market indices and their performance.

US INDICES

Summary table of US stock market indices and their performance.

US INDICES

Summary table of US stock market indices and their performance.

US INDICES

Summary table of US stock market indices and their performance.

US INDICES

Summary table of US stock market indices and their performance.

US INDICES

Summary table of US stock market indices and their performance.

US INDICES

Summary table of US stock market indices and their performance.

US INDICES

Summary table of US stock market indices and their performance.

Advertisement for Rockwell, featuring the text 'As builder of the Space Shuttle and its main engines, Rockwell continues to explore the frontiers of space' and the Rockwell logo.

Vertical text on the right edge of the page, including 'Stocks i', 'porate dea', and 'ai boosted'.

AMERICA

US stocks in volatile mid-session trade

Wall Street
Shares moved into another volatile session as blue chips alternated between gains and losses...

Exchange composite was 0.15 weaker at 561.85. NYSE volume came to 268m shares. Bonds gained amid renewed hopes that the Federal Reserve might lower interest rates...

Future earnings from Compaq Computer, the personal computer manufacturer, and Intel, the financial software company, which led to widespread losses across the sector...

Siemens on Monday. MEXICO CITY was led higher by a rise in its ADRs traded on Wall Street. By mid-session the IPC index was up 30.41 or 1 per cent to 2,882.85.

Canada Toronto was modestly higher at mid-session, lifted out of its losing streak by firmer Canadian bonds. The TSE-300 composite index was 4.48 higher by noon at 4,938.20, in volume of 49.9m shares.

Tricky path through the political labyrinth

John Simkins on the outlook for Milan equities

The unveiling of a new political party emblem in Italy this week, bearing the name Dini on a blue background, surrounded by the stars of the European Union, flag brought a flush of colour to the Milan stock market...

Another innovation in Milan - the introduction last month of options on six individual stocks, including Fiat and Generali - also had a quiet start, with disappointing trading volumes...

to have sufficient advantage over the centre-right in forming a majority government. Mr Alberto Rolla of the Milan securities house Caboto warns that prospects are still not clear and he is advising clients to take a neutral approach...

EUROPE

Corporate deals steer Paris through 2,000

Bourses offered a variety of responses to the Dow's afternoon volatility. PARIS broke even, as foreign institutions, particularly from the US, ACAC-40 index closed with a gain of 26.42 to 2,017.14, for a weekly rise of 2 per cent. Turnover was FF5.5bn.

Dealers believed that the positive reception for the Chargeurs demerger announcement earlier in the week, and the takeover bid by Paribas for Navigation Mixte, had joined with the most recent recovery in the dollar to boost confidence in the market...

an end. Some analysts suggested that Mr Ebner's sale this week of registered shares to Mr Stephan Schmidheiny, the financier who has said that he would support the bank's board, indicated that Mr Ebner was preparing to give up his fight over shareholder structure...

The composite index added 1,589.57 to 62,136.33, recovering from Thursday's 1.3 per cent loss and up 15 per cent since February 16 when the market closed for a nine-day holiday, re-opening last Monday.

South Africa Johannesburg's industrial and gold shares led the advance, but trade remained cautious ahead of the March 13 budget. The overall index was up 7.4, to 6,712.5, industrials rose 17.1 to 8,323.4 and the golds gained 11.0 to 1,797.1.

FRANKFURT had a fine time in the morning, breaking through 2,500, but a recovery in the dollar and the dollar ran into a slide in the Dow in late afternoon and the Dax index closed only 3.67 higher at an all-time high of 2,488.85, up 1.6 per cent on the week.

ZURICH marked UBS's 37th anniversary with a 1.5 per cent rise to 2,488.85, up 1.6 per cent on the week. Turnover rose from DM10bn to DM10.8bn. Stocks which

held most of their early gains included Mannesmann, DM9.20 higher at DM535.45, and Thyssen, DM6.26 better at DM290.20. A mid-February note from Mr Maarten Slenderbroek at Merrill Lynch said that engineering stocks, including steel and autos, were likely to outperform the Dax; Mr Slenderbroek also said that Mannesmann had "enormous" restructuring potential.

BRUSSELS set a new all-time intraday high of 1,719.84 before the Bel-20 index closed 30.74 higher at 1,710.60, up 3.3 per cent on the week.

Written and edited by William Cochrane, Michael Morgan and John Pitt

ASIA PACIFIC

Nikkei boosted by Tankan survey

Tokyo Buying by foreign brokers supported share prices and the Nikkei average gained 0.9 per cent to 14,828.85, up 0.9 per cent on the week. The Dow Jones Industrial Average rose 1.6 per cent to 5,618.85, up 1.6 per cent on the week. Turnover rose from \$10.8bn to \$11.5bn. Stocks which

with block trades in Normandy group companies, and the All Ordinaries index rose 23.0 to 3,313.0, up 2.2 per cent on the week in 538.13m shares worth A\$1.34bn.

only fractionally higher on a week which took an cabinet approval to lift the ceiling on foreign investment from 15 to 20 per cent of the market's capitalisation, and the entry of a government-promoted stabilisation fund.

HONG KONG'S Hang Seng 11X recovered 69.25 to 11,194.94, well off an early low of 11,040.01, but still down 1.7 per cent on the week. Turnover shrank from HK\$6.49bn to HK\$4.53bn.

FT/SE ACTUARIES WORLD INDICES

Table with columns for Country, Index Name, and various performance metrics (Open, High, Low, Close, Change, % Change, etc.) for various world indices.

LONDON EQUITIES

RISES AND FALLS

Table showing rises and falls for various London equity indices and sectors.

LIFFE EQUITY OPTIONS

Table showing Liffe equity options data for various contracts.

TRADITIONAL OPTIONS

Table showing traditional options data for various contracts.

LONDON RECENT ISSUES: EQUITIES

Table showing London recent issues: equities data for various companies.

RIGHTS OFFERS

Table showing rights offers data for various companies.

FINANCIAL TIMES EQUITY INDICES

Table showing Financial Times equity indices data for various markets.

FT GOLD MINES INDEX

Table showing FT Gold Mines Index data for various gold mining companies.

Les Echos

Text block for Les Echos advertisement, mentioning financial news and services.

LONDON STOCK EXCHANGE: Dealings

Details of business done shown below have been taken with consent from last Thursday's Stock Exchange Official List and should not be reproduced without permission.

Unless otherwise indicated prices are in pence. The prices are those at which the business was done in the 24 hours up to 5 pm on Thursday and settled through the Stock Exchange Tallymen system, they are not in order of execution but in ascending order which denotes the day's highest and lowest dealings.

For those securities in which no business was recorded in Thursday's Official List the latest recorded business in the four previous days is given with the relevant date.

‡ Bargains at special prices. † Bargains close the previous day.

British Funds, etc 020087

Treasury 13 1/2% 2000-03 £124 22/32

Corporation and County Stocks

London County 2 1/2% Conv St 18/00 (after) 128 (22/28)

UK Public Bonds

Metropolitan Water Metropolitan Water 3 1/2% A 2000-03 175

Commonwealth Government

South Australian 3% Conv St 19/16 (after) 20/1

Foreign Stocks, Bonds, etc (coupons payable in London)

Abney National Capital PLC 2 1/2% Subord Gtd 2000-03-01 110/4

Abney National Treasury Secs PLC 2000 2 1/2% Gtd 19/15

Abney National Treasury Secs PLC 2000 2 1/2% Gtd 19/15

Abney National Treasury Secs PLC 2000 2 1/2% Gtd 19/15

Abney National Treasury Secs PLC 2000 2 1/2% Gtd 19/15

Abney National Treasury Secs PLC 2000 2 1/2% Gtd 19/15

Abney National Treasury Secs PLC 2000 2 1/2% Gtd 19/15

Abney National Treasury Secs PLC 2000 2 1/2% Gtd 19/15

Abney National Treasury Secs PLC 2000 2 1/2% Gtd 19/15

Abney National Treasury Secs PLC 2000 2 1/2% Gtd 19/15

Abney National Treasury Secs PLC 2000 2 1/2% Gtd 19/15

Abney National Treasury Secs PLC 2000 2 1/2% Gtd 19/15

Abney National Treasury Secs PLC 2000 2 1/2% Gtd 19/15

Abney National Treasury Secs PLC 2000 2 1/2% Gtd 19/15

Abney National Treasury Secs PLC 2000 2 1/2% Gtd 19/15

Abney National Treasury Secs PLC 2000 2 1/2% Gtd 19/15

Abney National Treasury Secs PLC 2000 2 1/2% Gtd 19/15

Abney National Treasury Secs PLC 2000 2 1/2% Gtd 19/15

Abney National Treasury Secs PLC 2000 2 1/2% Gtd 19/15

Abney National Treasury Secs PLC 2000 2 1/2% Gtd 19/15

Abney National Treasury Secs PLC 2000 2 1/2% Gtd 19/15

Abney National Treasury Secs PLC 2000 2 1/2% Gtd 19/15

Abney National Treasury Secs PLC 2000 2 1/2% Gtd 19/15

Abney National Treasury Secs PLC 2000 2 1/2% Gtd 19/15

Abney National Treasury Secs PLC 2000 2 1/2% Gtd 19/15

Abney National Treasury Secs PLC 2000 2 1/2% Gtd 19/15

Best Investments PLC 7 1/2% Un Lk St 20/00

Best Investments PLC 7 1/2% Un Lk St 20/00

Best Investments PLC 7 1/2% Un Lk St 20/00

Best Investments PLC 7 1/2% Un Lk St 20/00

Best Investments PLC 7 1/2% Un Lk St 20/00

Best Investments PLC 7 1/2% Un Lk St 20/00

Best Investments PLC 7 1/2% Un Lk St 20/00

Best Investments PLC 7 1/2% Un Lk St 20/00

Best Investments PLC 7 1/2% Un Lk St 20/00

Best Investments PLC 7 1/2% Un Lk St 20/00

Best Investments PLC 7 1/2% Un Lk St 20/00

Best Investments PLC 7 1/2% Un Lk St 20/00

Best Investments PLC 7 1/2% Un Lk St 20/00

Best Investments PLC 7 1/2% Un Lk St 20/00

Best Investments PLC 7 1/2% Un Lk St 20/00

Best Investments PLC 7 1/2% Un Lk St 20/00

Best Investments PLC 7 1/2% Un Lk St 20/00

Best Investments PLC 7 1/2% Un Lk St 20/00

Best Investments PLC 7 1/2% Un Lk St 20/00

Best Investments PLC 7 1/2% Un Lk St 20/00

Best Investments PLC 7 1/2% Un Lk St 20/00

Best Investments PLC 7 1/2% Un Lk St 20/00

Best Investments PLC 7 1/2% Un Lk St 20/00

Best Investments PLC 7 1/2% Un Lk St 20/00

Best Investments PLC 7 1/2% Un Lk St 20/00

Best Investments PLC 7 1/2% Un Lk St 20/00

Best Investments PLC 7 1/2% Un Lk St 20/00

Best Investments PLC 7 1/2% Un Lk St 20/00

Best Investments PLC 7 1/2% Un Lk St 20/00

Best Investments PLC 7 1/2% Un Lk St 20/00

Best Investments PLC 7 1/2% Un Lk St 20/00

Best Investments PLC 7 1/2% Un Lk St 20/00

Best Investments PLC 7 1/2% Un Lk St 20/00

Best Investments PLC 7 1/2% Un Lk St 20/00

Best Investments PLC 7 1/2% Un Lk St 20/00

Best Investments PLC 7 1/2% Un Lk St 20/00

Best Investments PLC 7 1/2% Un Lk St 20/00

Best Investments PLC 7 1/2% Un Lk St 20/00

Best Investments PLC 7 1/2% Un Lk St 20/00

Best Investments PLC 7 1/2% Un Lk St 20/00

Best Investments PLC 7 1/2% Un Lk St 20/00

United Patents Alcoa Ltd Ord 10/50

United Patents Alcoa Ltd Ord 10/50

United Patents Alcoa Ltd Ord 10/50

United Patents Alcoa Ltd Ord 10/50

United Patents Alcoa Ltd Ord 10/50

United Patents Alcoa Ltd Ord 10/50

United Patents Alcoa Ltd Ord 10/50

United Patents Alcoa Ltd Ord 10/50

United Patents Alcoa Ltd Ord 10/50

United Patents Alcoa Ltd Ord 10/50

United Patents Alcoa Ltd Ord 10/50

United Patents Alcoa Ltd Ord 10/50

United Patents Alcoa Ltd Ord 10/50

United Patents Alcoa Ltd Ord 10/50

United Patents Alcoa Ltd Ord 10/50

United Patents Alcoa Ltd Ord 10/50

United Patents Alcoa Ltd Ord 10/50

United Patents Alcoa Ltd Ord 10/50

United Patents Alcoa Ltd Ord 10/50

United Patents Alcoa Ltd Ord 10/50

United Patents Alcoa Ltd Ord 10/50

United Patents Alcoa Ltd Ord 10/50

United Patents Alcoa Ltd Ord 10/50

United Patents Alcoa Ltd Ord 10/50

United Patents Alcoa Ltd Ord 10/50

United Patents Alcoa Ltd Ord 10/50

United Patents Alcoa Ltd Ord 10/50

United Patents Alcoa Ltd Ord 10/50

United Patents Alcoa Ltd Ord 10/50

United Patents Alcoa Ltd Ord 10/50

United Patents Alcoa Ltd Ord 10/50

United Patents Alcoa Ltd Ord 10/50

United Patents Alcoa Ltd Ord 10/50

United Patents Alcoa Ltd Ord 10/50

United Patents Alcoa Ltd Ord 10/50

United Patents Alcoa Ltd Ord 10/50

United Patents Alcoa Ltd Ord 10/50

United Patents Alcoa Ltd Ord 10/50

United Patents Alcoa Ltd Ord 10/50

United Patents Alcoa Ltd Ord 10/50

United Patents Alcoa Ltd Ord 10/50

Paribas French Investment Trust PLC 5%

Paribas French Investment Trust PLC 5%

Paribas French Investment Trust PLC 5%

Paribas French Investment Trust PLC 5%

Paribas French Investment Trust PLC 5%

Paribas French Investment Trust PLC 5%

Paribas French Investment Trust PLC 5%

Paribas French Investment Trust PLC 5%

Paribas French Investment Trust PLC 5%

Paribas French Investment Trust PLC 5%

Paribas French Investment Trust PLC 5%

Paribas French Investment Trust PLC 5%

Paribas French Investment Trust PLC 5%

Paribas French Investment Trust PLC 5%

Paribas French Investment Trust PLC 5%

Paribas French Investment Trust PLC 5%

Paribas French Investment Trust PLC 5%

Paribas French Investment Trust PLC 5%

Paribas French Investment Trust PLC 5%

Paribas French Investment Trust PLC 5%

Paribas French Investment Trust PLC 5%

Paribas French Investment Trust PLC 5%

Paribas French Investment Trust PLC 5%

Paribas French Investment Trust PLC 5%

Paribas French Investment Trust PLC 5%

Paribas French Investment Trust PLC 5%

Paribas French Investment Trust PLC 5%

Paribas French Investment Trust PLC 5%

Paribas French Investment Trust PLC 5%

Paribas French Investment Trust PLC 5%

Paribas French Investment Trust PLC 5%

Paribas French Investment Trust PLC 5%

Paribas French Investment Trust PLC 5%

Paribas French Investment Trust PLC 5%

Paribas French Investment Trust PLC 5%

Paribas French Investment Trust PLC 5%

Paribas French Investment Trust PLC 5%

Paribas French Investment Trust PLC 5%

Paribas French Investment Trust PLC 5%

Paribas French Investment Trust PLC 5%

Paribas French Investment Trust PLC 5%

FT-SE ACTUARIES INDICES

The FT-SE Actuaries Share Indices are calculated by FT-SE International Limited in conjunction with the Faculty of Actuaries and the Institute of Actuaries.

The FT-SE Actuaries Indices are calculated in accordance with a standard set of ground rules established by FT-SE International Limited in conjunction with the Faculty of Actuaries and the Institute of Actuaries.

"FT-SE" and "Footsie" are trademarks of the London Stock Exchange and the Financial Times Limited and are used by FT-SE International Limited under license.

MONTHLY AVERAGES OF STOCK INDICES

Table with columns for February, January, December, November. Rows include FT-SE Actuaries Indices, FT-SE 100, FT-SE Mid 250, FT-SE 350, FT-SE All Share, FT-SE Ordinary.

Table with columns for Highest Close Feb, Lowest Close Feb. Rows include FT-SE 100, FT-SE Mid 250, FT-SE 350, FT-SE All Share, FT-SE Ordinary.

The Financial Times plans to publish a Survey on World Coal Industry

Do you want to reach senior decision makers in the world coal mining and equipment business?

Contact: Anthony Hayes. He will tell you how. Tel: +44 121 454 0922 Fax: +44 121 455 0869

George House, George Road, Edgbaston, Birmingham B15 1PG

FT Surveys

Find out why so many expatriates look to RESIDENT ABROAD for help

When moving abroad, you need to be fully informed of the opportunities - and the pitfalls - that you will face.

MAKE YOUR MONEY WORK HARDER

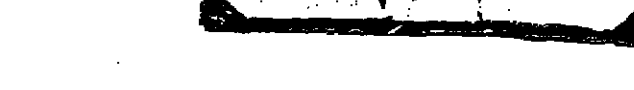
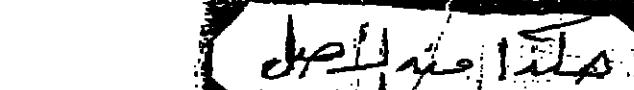
There's a bewildering array of expatriate financial services out there - and they all want your hard-earned money.

Our in-depth, but easy-to-read, coverage of the latest investment products, offshore banking services, tax advantages and world stock markets will help ensure that your earnings are put to maximum use.

MAKE THE MOST OF YOUR LIFESTYLE

With RA you can explore the customs and cultures of different countries and find ways for you and your family to enjoy leisure time together.

Plus you keep up-to-date on worldwide property prices, motoring, boating, holidays and information on schools for the children. And there's much, much more to enjoy in every issue. Take advantage of our special subscription offer and receive RESIDENT ABROAD FREE for 2 months



Special Subscription Offer: ACT NOW to receive TWO FREE ISSUES.

Simply fill in the coupon to ensure you receive the very best reporting for expatriates - on your doorstep - every month for 12 months. All for the price of 12 issues free.

Yes Please send me the next 14 issues of Resident Abroad. My first 2 issues are free.

ONE YEAR SUBSCRIPTION (INC P+P): Europe £53 (inc UK) Rest of World £61

Resident Abroad is available only to residents outside the UK other than registered financial advisers.

Please debit my: Access Visa Amex Diners

Card No: RA logo

Expiry date: RA logo

Signature: RA logo Date: RA logo

Mr/Mrs/Miss/Ms RA logo

Company RA logo

Private Address RA logo

Postcode RA logo

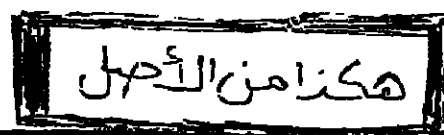
Nationality RA logo

Country RA logo

EU Vat at the local must be added to the price of the subscription unless your VAT No is quoted. Non European Countries only EU VAT Reg No. (VAT/VATB/TW/CH/MS/ST/VA)

EU Vat at the local must be added to the price of the subscription unless your VAT No is quoted. Non European Countries only EU VAT Reg No. (VAT/VATB/TW/CH/MS/ST/VA)

EU Vat at the local must be added to the price of the subscription unless your VAT No is quoted. Non European Countries only EU VAT Reg No. (VAT/VATB/TW/CH/MS/ST/VA)



LONDON STOCK EXCHANGE

MARKET REPORT

Interest rate optimism drives equities higher

By Steve Thompson, UK Stock Market Editor
The London market's recent preoccupation with Wall Street's...
The rate cut hopes, which have been on the back burner recently...

with Mr Eddie George, governor of the Bank of England, next Thursday.
Talk around the market was that a reduction of 25 basis points was on the cards...

now only 28.7 short of its previous closing high, reached on February 2, and 38.9 off its all-time intraday high.
Yesterday's rise enabled the Footsie to post a 12.4 point gain in a week...

in the index, notably the builders and numerous consumer stocks.
And the prospect of more bids emerging in the utilities sectors was another driving force.

Yorkshire Electricity was again seen as a strong contender to attract the attentions of a bidder in the very short term, and the shares rapped up over 5 per cent.
There were disappointments, however: drinks stocks gave ground after broker downgrades...

FT-SE-A All-Share Index

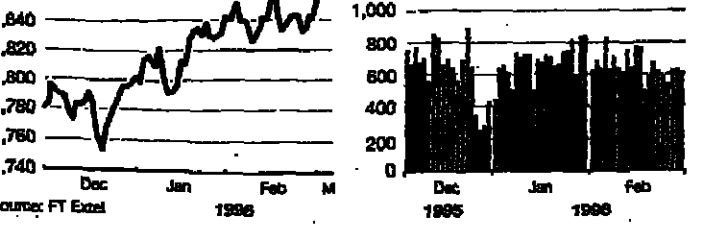


Table with columns: Index, Change, % Change. Includes FT-SE Mid 250, FT-SE-A 350, FT-SE-A All-Share, etc.

TRADING VOLUME IN MAJOR STOCKS

Table listing trading volume for major stocks like BP, Shell, British Telecom, etc.

EQUITY FUTURES AND OPTIONS TRADING

Stock index futures ended a volatile week with a strong run, closing 33 points higher in another high volume session, writes Jeffrey Brown.
Volume in the FT-SE 100 March contract again topped 14,000 lots and rose close to 16,000 after hours...

Table showing FT-SE 100 Index Futures (LFFE) and Options Trading data.

Bid talk returns to waters

Bid speculation returned to utilities yesterday sending both electricity and water stocks sharply ahead.
The talk in the water sector, which followed an article in the trade press, suggested a bid for either Southern or Yorkshire is just around the corner...

NEW 52 WEEK HIGHS AND LOWS

Table listing new 52 week highs and lows for various stocks.

Pilkington warrants basket

Pilkington warrants basket launched yesterday by BZW created interest in the former.
Both stocks are rated as buys in SGST's latest building bulletin.

Chemists tumble

Shares in Lloyds Chemists tumbled 24 to 45p, in trade of 3.1m, as the market reacted to the shock news that the UK's Department of Trade and Industry is to refer the Unichem bid for Lloyds to the Monopolies Commission...

FT-SE Actuarial Shares Index

Table showing FT-SE Actuarial Shares Index performance.

The UK Series

Table showing various UK economic and market indicators.

FT-SE A INDICES - LEADERS & LAGGARDS

Table listing FT-SE A indices leaders and laggards.

OXFEX FACILITY

Table listing OXFEX facility details for various companies.

Hourly movements

Table showing hourly movements in the FT-SE 100.

FT-SE 100 Hourly Actuarial 350 industry baskets

Table showing FT-SE 100 hourly actuarial 350 industry baskets.

Base Rate

Table showing base rate and other financial data.

Other classes of share available

Table listing other classes of share available.

FT-SE 100

Table showing FT-SE 100 performance.

FT-SE Mid 250

Table showing FT-SE Mid 250 performance.

FT-SE-A All-Share

Table showing FT-SE-A All-Share performance.

FT-SE 100 High Yield

Table showing FT-SE 100 High Yield performance.

FT-SE 100 High Yield

Table showing FT-SE 100 High Yield performance.

FT-SE Mid 250

Table showing FT-SE Mid 250 performance.

FT-SE-A All-Share

Table showing FT-SE-A All-Share performance.

FT-SE 100 High Yield

Table showing FT-SE 100 High Yield performance.

FT-SE 100 High Yield

Table showing FT-SE 100 High Yield performance.

FT-SE Mid 250

Table showing FT-SE Mid 250 performance.

FT-SE-A All-Share

Table showing FT-SE-A All-Share performance.

FT-SE 100 High Yield

Table showing FT-SE 100 High Yield performance.

FT-SE 100 High Yield

Table showing FT-SE 100 High Yield performance.

FT-SE Mid 250

Table showing FT-SE Mid 250 performance.

FT-SE-A All-Share

Table showing FT-SE-A All-Share performance.

FT-SE 100 High Yield

Table showing FT-SE 100 High Yield performance.

FT-SE 100 High Yield

Table showing FT-SE 100 High Yield performance.

FT-SE Mid 250

Table showing FT-SE Mid 250 performance.

FT-SE-A All-Share

Table showing FT-SE-A All-Share performance.

FT-SE 100 High Yield

Table showing FT-SE 100 High Yield performance.

FT-SE 100 High Yield

Table showing FT-SE 100 High Yield performance.

FT-SE Mid 250

Table showing FT-SE Mid 250 performance.

FT-SE-A All-Share

Table showing FT-SE-A All-Share performance.

FT-SE 100 High Yield

Table showing FT-SE 100 High Yield performance.

FT-SE 100 High Yield

Table showing FT-SE 100 High Yield performance.

FT-SE Mid 250

Table showing FT-SE Mid 250 performance.

FT-SE-A All-Share

Table showing FT-SE-A All-Share performance.

FT-SE 100 High Yield

Table showing FT-SE 100 High Yield performance.

Businessman has led from Russia for compatible with his economic shortland asked the Russian...

Businessman has led from Russia for compatible with his economic shortland asked the Russian...

Businessman has led from Russia for compatible with his economic shortland asked the Russian...

Businessman has led from Russia for compatible with his economic shortland asked the Russian...

Businessman has led from Russia for compatible with his economic shortland asked the Russian...

Businessman has led from Russia for compatible with his economic shortland asked the Russian...

Businessman has led from Russia for compatible with his economic shortland asked the Russian...

Businessman has led from Russia for compatible with his economic shortland asked the Russian...

Businessman has led from Russia for compatible with his economic shortland asked the Russian...

LONDON SHARE SERVICE

ALCOHOLIC BEVERAGES

Table listing alcoholic beverage companies and their share prices.

BANKS, MERCHANT

Table listing merchant bank companies and their share prices.

BANKS, RETAIL

Table listing retail bank companies and their share prices.

BREWERIES, PUBS & REST

Table listing brewery, pub, and restaurant companies and their share prices.

BUILDING & CONSTRUCTION

Table listing building and construction companies and their share prices.

BUILDING MATS. & MERCHANTS

Table listing building materials and merchant companies and their share prices.

BUILDING MATS. & MERCHANTS - Cont.

Continuation of building materials and merchant companies.

CHEMICALS

Table listing chemical companies and their share prices.

DISTRIBUTORS

Table listing distributor companies and their share prices.

DIVERSIFIED INDUSTRIALS

Table listing diversified industrial companies and their share prices.

ELECTRICITY

Table listing electricity companies and their share prices.

ELECTRONIC & ELECTRICAL EQPT

Table listing electronic and electrical equipment companies and their share prices.

ELECTRONIC & ELECTRICAL EQPT - Cont.

Continuation of electronic and electrical equipment companies.

ENGINEERING

Table listing engineering companies and their share prices.

ENGINEERING, VEHICLES

Table listing engineering and vehicle companies and their share prices.

EXTRACTIVE INDUSTRIES

Table listing extractive industries companies and their share prices.

EXTRACTIVE INDUSTRIES - Cont.

Continuation of extractive industries companies.

EXTRACTIVE INDUSTRIES - Cont.

Continuation of extractive industries companies.

FOOD PRODUCERS

Table listing food producer companies and their share prices.

GAS DISTRIBUTION

Table listing gas distribution companies and their share prices.

HEALTH CARE

Table listing health care companies and their share prices.

HOUSEHOLD GOODS

Table listing household goods companies and their share prices.

HOUSEHOLD GOODS - Cont.

Continuation of household goods companies.

HOUSEHOLD GOODS - Cont.

Continuation of household goods companies.

INSURANCE

Table listing insurance companies and their share prices.

INVESTMENT TRUSTS

Table listing investment trusts and their share prices.

INVESTMENT TRUSTS - Cont.

Continuation of investment trusts.

INV TRUSTS SPLIT CAPITAL

Table listing split capital investment trusts and their share prices.

INVESTMENT TRUSTS - Cont.

Continuation of investment trusts.

INV TRUSTS SPLIT CAPITAL

Table listing split capital investment trusts and their share prices.

INV TRUSTS SPLIT CAPITAL

Table listing split capital investment trusts and their share prices.

INV TRUSTS SPLIT CAPITAL

Table listing split capital investment trusts and their share prices.

INV TRUSTS SPLIT CAPITAL

Table listing split capital investment trusts and their share prices.

INV TRUSTS SPLIT CAPITAL

Table listing split capital investment trusts and their share prices.

INV TRUSTS SPLIT CAPITAL

Table listing split capital investment trusts and their share prices.

INV TRUSTS SPLIT CAPITAL

Table listing split capital investment trusts and their share prices.

INV TRUSTS SPLIT CAPITAL

Table listing split capital investment trusts and their share prices.

INV TRUSTS SPLIT CAPITAL

Table listing split capital investment trusts and their share prices.

INV TRUSTS SPLIT CAPITAL

Table listing split capital investment trusts and their share prices.

INV TRUSTS SPLIT CAPITAL

Table listing split capital investment trusts and their share prices.

INV TRUSTS SPLIT CAPITAL

Table listing split capital investment trusts and their share prices.

INV TRUSTS SPLIT CAPITAL

Table listing split capital investment trusts and their share prices.

INV TRUSTS SPLIT CAPITAL

Table listing split capital investment trusts and their share prices.

INV TRUSTS SPLIT CAPITAL

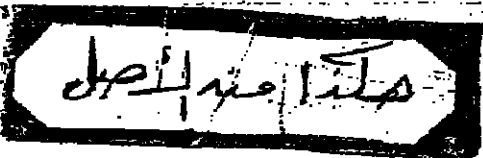
Table listing split capital investment trusts and their share prices.

INV TRUSTS SPLIT CAPITAL

Table listing split capital investment trusts and their share prices.

INV TRUSTS SPLIT CAPITAL

Table listing split capital investment trusts and their share prices.



LONDON SHARE SERVICE

TRUSTS SPLIT CAPITAL - Cont.

Table listing various trusts and their financial details, including names like 'The British Trust for Ornithology' and 'The British Trust for World Heritage Sites'.

LEISURE & HOTELS - Cont.

Table listing leisure and hotel companies such as 'The Rank Group' and 'The Travelodge Group'.

OTHER FINANCIAL - Cont.

Table listing other financial services and companies.

PROPERTY - Cont.

Table listing property-related companies and their shares.

SUPPORT SERVICES - Cont.

Table listing support services companies.

AIM - Cont.

Table listing companies on the Alternative Investment Market (AIM).

LIFE ASSURANCE

Table listing life assurance companies.

MEDIA

Table listing media companies.

PAPER, PACKAGING & PRINTING

Table listing paper, packaging, and printing companies.

RETAILERS, FOOD

Table listing food retailers.

RETAILERS, GENERAL

Table listing general retailers.

TELECOMMUNICATIONS

Table listing telecommunications companies.

TEXTILES & APPAREL

Table listing textiles and apparel companies.

PHARMACEUTICALS

Table listing pharmaceutical companies.

OTHER INVESTMENT TRUSTS

Table listing other investment trusts.

OIL EXPLORATION & PRODUCTION

Table listing oil exploration and production companies.

INVESTMENT COMPANIES

Table listing investment companies.

OIL, INTEGRATED

Table listing integrated oil companies.

PHARMACEUTICALS - Cont.

Table listing pharmaceutical companies (continued).

PROPERTY

Table listing property companies.

RETAILERS, GENERAL - Cont.

Table listing general retailers (continued).

SUPPORT SERVICES

Table listing support services companies.

TOBACCO

Table listing tobacco companies.

TRANSPORT

Table listing transport companies.

WATER

Table listing water companies.

AIM

Table listing companies on AIM.

CANADIANS

Table listing Canadian companies.

SOUTH AFRICANS

Table listing South African companies.

Advertisement for Sharelink: 'The cheapest Bed and Breakfast in town?' with contact number 0121 200 7788 and logo.

GUIDE TO LONDON SHARE SERVICE

Guide to London Share Service: Prices for the London Share Service delivered by FT... Includes details on company classifications, market capitalization, and various symbols.

Vertical text on the right edge of the page, possibly a page number or reference.



Clinton grants visa to Sinn Féin leader Adams

By Robert Peston and James Harding in London, Patti Waldmeir in Washington and John Kampner in Bangkok

US President Bill Clinton last night agreed to give a visa to Mr Gerry Adams, the leader of Sinn Féin, the political wing of the IRA...

The granting of a three-month, multiple entry visa follows an outburst by Mr John Major, the UK prime minister, on Thursday against the terrorist group's failure to renew its ceasefire.

The British government has recently said Mr Major would not try to intervene in any visa decision. However, ministers and officials have privately said they would have preferred Mr Adams to be barred from the US.

It is understood that Mr Adams will not be allowed to raise funds while in the US for St Patrick's day celebrations on March 17. He will also be barred from a White House party to mark the Irish holiday.

He will have meetings with US officials, but not the president or

secretary of state, and will not be allowed on US administration property. The visa is understood to be revocable if there are further bombings by the IRA.

A White House official said: "The president would not have taken the step of approving the visa if he did not believe, based on our contact with Mr Adams, that this could further the peace process."

A UK minister said last night the prime minister was unlikely to be incensed by the US decision, since the visa conditions reflected the end of the IRA's ceasefire. "It is not business as usual for Mr Adams," he said, while admitting that it would have been preferable for the Sinn Féin president to have been kept out of the US.

A Downing Street spokesman said: "This was, as we have always said, a matter for the American government." British officials were understood to be relieved that no meeting had been granted with the president or other administration heads.

There was also uncertainty last night about whether the US had

unilaterally imposed a ban on fund-raising by Mr Adams or whether he had failed to ask for the facility. There were reports that Mr Adams did not ask for permission to raise funds, so the issue did not arise.

To a further setback for Mr Major, it emerged yesterday that the biggest Northern Ireland party, the Ulster Unionists, are threatening not to co-operate in talks designed to choose the method for special elections in the province as a precursor to all-party negotiations.

The Ulster Unionists yesterday signalled they may not participate in the talks in Belfast, but only discuss plans for elections through meetings with ministers in Westminster.

Mr Ken Maginnis MP, the UUP spokesman on security, said: "We will not be at Stormont [in Belfast] on Monday. We will decide beyond that if it is necessary to be there."

Sinn Féin will have access to both UK and Irish government officials but will not be invited to attend the ministerial talks until the IRA announces a ceasefire.

Gorbachev plans to stand for Russian president

By John Thornhill in Moscow

Mr Mikhail Gorbachev, the former Soviet leader who dismantled the country's totalitarian system, yesterday came out of retirement and declared he wanted to be the next Russian president.

Mr Gorbachev, seemingly loathed in Russia as much as he is lauded in the west, appears to stand little chance of success in the June election and has no formal party structure to support his candidacy.

A recent poll in the Sevodnya newspaper placed him ninth in a list of possible presidential candidates with just 1 per cent support. Mr Gorbachev is blamed by many for undermining their economic security and destroying the Soviet Union's superpower status.

Nevertheless, support groups have raised 700,000 signatures and are confident of gathering the 1m needed to register Mr Gorbachev as an official candidate. At a press conference yesterday, the former leader, who has been on the lecture circuit and presiding over a think-tank, made clear that he would stand.

Mr Gorbachev said he would still be prepared to step aside as a candidate if a stronger democratic challenger emerged and some observers doubted he would ever contest the poll on June 16.

Mr Gorbachev condemned the Communist party which he once headed. But while many of Russia's elderly appear nostalgic for the simple certainties of the Soviet era, few appear to have retained much fondness for Mr Gorbachev. Nor do Russia's pro-western politicians seem likely to back the man who popularised perestroika.

Most Russian liberals are likely to support the candidacy of Mr Grigory Yavlinsky, a former Gorbachev aide who now heads the Yabloko faction and represents a younger generation of reformers.

In joining the campaign against President Boris Yeltsin yesterday, Mr Gorbachev reignited a titanic personal political struggle spanning almost a decade. Mr Gorbachev earned the hatred of Mr Yeltsin when he sacked him from his Politburo in 1987.

Mr Yeltsin returned as Russian president four years later to humiliate Mr Gorbachev by dissolving the Soviet Union and effectively making his erstwhile tormentor redundant.

Since then, Mr Gorbachev has been a darling of the international conference circuit. But in Russia he has remained something of a historical curiosity while Mr Yeltsin has dominated the Kremlin.

Mr Gorbachev has constantly criticised the president, accusing him of using democracy "as a cloak for creating an oligarchic regime".

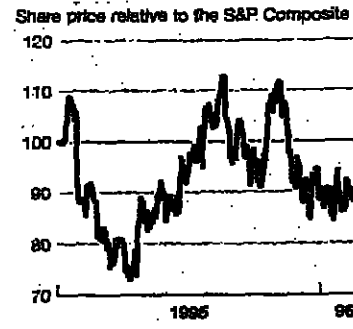
THE LEX COLUMN

PC incorrect

It is too early to say that the personal computer market is in deep trouble. But the evidence of problems is mounting. The most serious is the announcement by Compaq, the world's largest PC maker, that it will cut prices and step up promotional spending because sales are falling short of target.

FT-SE Eurotrack 200: 1674.6 (+17.9)

Compaq Computers



Source: FT Index

If the only problem was in servers, the rest of the industry could be fairly relaxed. But there are signs that the broader market is slowing. Compaq itself revealed the astonishing news that PC sales in Germany were actually falling. Germany's depressed market has also taken its toll on Escom, which said yesterday it expected last year's losses to total DM125m (\$86m).

Earlier in the week, LSI Logic warned that some PC makers had delayed ordering its chips. Analysts believe manufacturers over-ordered chip supplies in the run-up to last Christmas and are now running down stocks.

This is not yet the anatomy of a meltdown. But it underlines that there is now so little to distinguish one manufacturer's PC from another that competition is increasingly driven by price. In such an environment, the only way to secure adequate profits is to cut costs. More consolidation, to benefit from economies of scale, is needed.

Lloyds Chemists

Mr John Bridgeman, the director-general of Fair Trading, is gaining a reputation for dropping bombshells. But yesterday's decision to refer Unichem's bid for Lloyds Chemists to the Monopolies and Mergers Commission, and to try to retrieve Gehe's bid from the European Commission, should not have been as unexpected as it was.

RENTOKIL/BET

Judging by the stock market's reaction, the battle between Rentokil and BET is turning into a push-over. At 199p, BET's share price is only 0.2p above Rentokil's current cash-and-shares offer. This implies that Rentokil could win with a marginally higher bid or possibly even at the current price.

The immediate problem is that the MMC is looking at only one of the bids. The British government is right to ask the European Commission to hand Gehe's bid back, since only a UK market is at stake. But it had better be sure that Brussels will agree. Two bids for the same company being considered by different authorities would be an embarrassing nonsense.

UK gas/electricity

The British government is right to be worried about Sweb's remarkable success in marketing gas to its domestic electricity consumers. It highlights a basic unfairness in the opening-up of Britain's energy markets to competition: until electricity supply is liberalised, regional electricity companies will be able to sell gas to British Gas's domestic customers, but British Gas will not be able to sell electricity to theirs.

Recs are well-placed to take advantage of this opportunity. Unlike most of their competitors, they will soon be able to save money by reading gas and electricity meters at once, and sending out bills together. This much is also true of water companies; what they

Compaq

Continued from Page 1

PCs and Compaq is the market leader in this segment.

To protect its market leadership and maintain growth momentum, Compaq would lower its prices and launch a promotional campaign in North America, said Mr White.

Compaq said these actions would enable it to meet a very aggressive sales target of 35 per cent growth for the first quarter, well above the expected market growth of 15-20 per cent.

However, Compaq's profit margins are likely to suffer. The company predicted first-quarter gross margins would fall below the fourth-quarter level of 27.7 per cent of revenues.

Some of the new competition in the PC server market is coming from IBM, which last year launched a new range of aggressively priced products.

Opposition set for win

Continued from Page 1

in key cities. Today is set aside as a statutory "day of reflection" before polling stations open on Sunday.

Mr Felipe González, prime minister, ended his campaign in his home city of Seville after a meeting earlier in the evening in Madrid. Mr José María Aznar, the PP leader, was travelling in the opposite direction, concluding a day of four rallies at a sports hall in Madrid.

On Thursday, Mr Aznar set a record for Spain's post-Franco democracy by gathering 80,000 people in a football stadium in Valencia.

Show business celebrities took sides in the last stages of the campaign, with the Socialists recruiting Hollywood actor Antonio Banderas and the PP the Miami-based singer Julio Iglesias. But voters were deprived of a

head-on televised debate between party leaders after the parties failed to agree on the form it should take.

The ruling Socialists wanted a two-way confrontation between Mr González and Mr Aznar, as happened in the last elections in 1993. But the PP sought a three-sided debate including Mr Julio Anguita, communist head of the United Left coalition, which is challenging the Socialists for left-wing support.

Instead, Spanish state television broadcast interviews with both the main party leaders on Thursday evening, watched by fewer than 3m people - less than a tenth of the electorate. Mr Aznar stressed the need for "honest and efficient" government, while Mr González presented the Socialists as standard-bearers of a tolerant and modern society and predicted the results would confound the opinion polls.

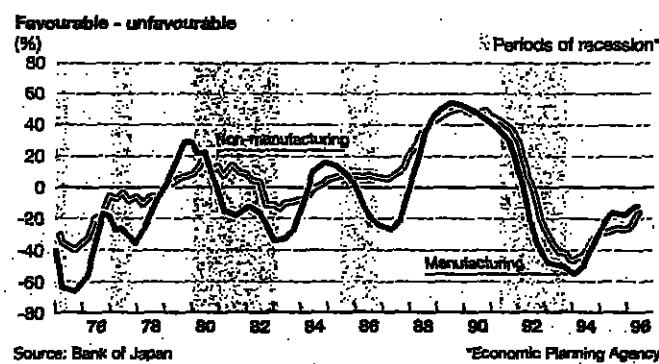
Confidence

Continued from Page 1

minus 25 per cent. There was a small improvement in the balance of companies reporting excess inventories of unsold stocks and materials, from 19 per cent last November, to 18 per cent in February. Likewise, the balance of companies reporting an excess of employees fell gently, from 24 to 22 per cent.

However, the small improvement on the surplus labour front has not been enough to entice corporate Japan to resume recruiting. Unemployment stagnated at a record 3.4 per cent for the third month in a row in January, according to the management and co-ordination agency. There was one sign of improve-

Japan: business conditions survey



Source: Bank of Japan

ment in the weak labour market as the number of jobs available per 100 applicants increased from 57 in December to 69 in January. The extent to which inflation has been curbed was underlined

by the latest consumer price figures. February prices in Tokyo - an accurate advance indicator of national inflation - were unchanged on January and down 0.2 per cent from February last year.

Masters in Finance

London Business School's specialist Masters Programme in Finance is designed for those already pursuing, or planning to pursue, careers in business or the financial services industry which require an in-depth knowledge of finance.

The Masters in Finance is practical and career oriented while maintaining high standards of rigour and scholarship. It provides participants with a thorough grounding in finance and enhances their managerial effectiveness within this field.

The programme is taught by the School's internationally renowned finance faculty. It can be completed in nine months of full-time study, or on a part-time basis over two years of mainly evening attendance. To find out more come to one of our information sessions:

- London - Thursday 7 March at 6.15pm
London Business School, Sussex Place NW1
London - Tuesday 2 April at 6.15pm
London Business School, Sussex Place NW1
London - Wednesday 1 May at 6.15pm
London Business School, Sussex Place NW1
Asia (continued)
Kuala Lumpur - Wednesday 13 March at 6.15pm
Hotel Istana, 73 Jalan Raya Chulan
Singapore - Thursday 14 March: presentation at 6.15pm or drop-in between 12 noon - 4.00pm
Westin Stamford Hotel, 2 Stamford Road
Rest of the World
Frankfurt - Wednesday 27 March at 6.15pm
Steigenberger Frankfurter Hof, Am Kaiserplatz
Los Angeles - Monday 1 April
The Biltmore, 506 S Grand Ave at 12.30pm
Century Plaza Hotel, 2025 Ave of the Stars at 6.15pm
Toronto - Monday 15 April at 6.15pm
The Four Seasons Hotel, 21 Avenue Road

Information about the MBA and Sloan Masters Programme will also be available
For a brochure, fax or mail the coupon, attach a business card, or write to: The Information Officer, Finance Programmes Office, London Business School, Sussex Place, Regent's Park, London NW1 4SA, UK.
Tel: +44 (0)171 706 6840 or 262 5050 e-mail: mifinfo@lbs.lon.ac.uk
Fax: 723 1788 or 724 7875 URL: http://www.lbs.lon.ac.uk

Name:
Job Title:
Company:
Address:
City: Postcode:
Tel: Fax:
London Business School exists to advance learning and research in business and management
FT 2/3/96
London Business School

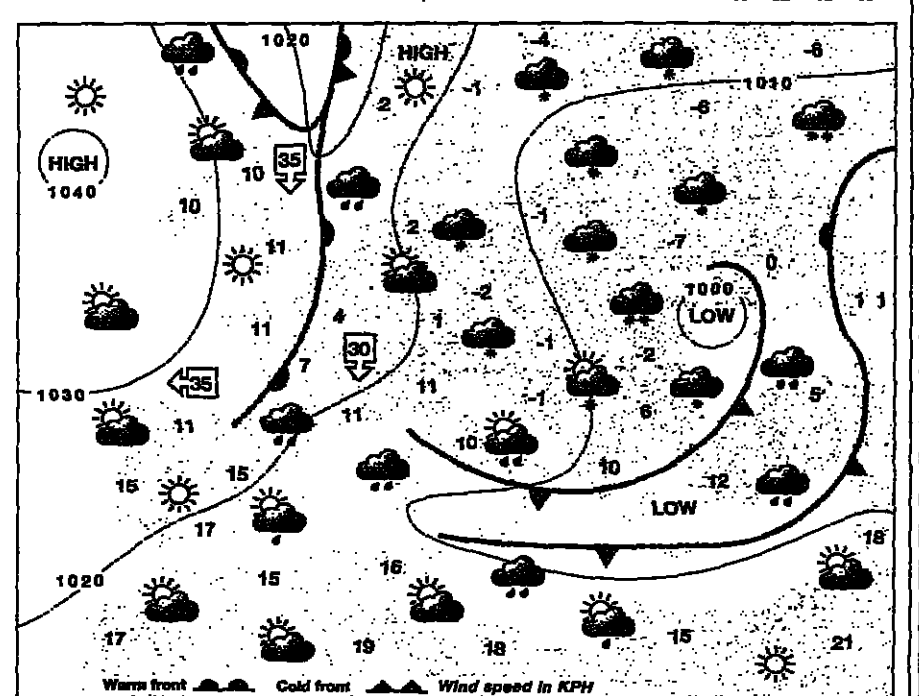
FT WEATHER GUIDE

Europe today

Most of Europe will be tranquil because of strong high pressure to the west of the British Isles. Most air will move to the south around this high, bringing cloud and some rain to the south-eastern UK, the south-western Benelux and most of France. Northern Spain will also have cloud and local rain. Portugal and southern Spain will be dry with ample sun. The central and eastern Mediterranean will be damp, with numerous rain showers over Sicily, southern Italy, Crete, northern Tunis and north-western Egypt. A depression over the southern Ukraine will bring cloud and snow to the Ukraine, Belarus, western European Russia and the northern Balkans.

Five-day forecast

High pressure will move towards the southern British Isles, bringing calm conditions with sunny spells to the UK, the Benelux, France and Germany. There will be a risk of fog during the early morning. Low pressure over south-eastern Europe will continue to bring cloud with rain or snow to eastern Europe and western European Russia. The Mediterranean will remain unsettled.



Situation at 12 GMT. Temperatures maximum for day. Forecasts by Météo Consult of the Netherlands

TODAY'S TEMPERATURES

Table with columns for location, weather, and temperature. Locations include Abu Dhabi, Accra, Algiers, Amsterdam, Athens, Atlanta, B. Aires, B. ham, Bangkok, Barcelona, Caracas, Cardiff, Casablanca, Chicago, Cologne, Delhi, Dallas, Dhahran, Dubai, Dusseldorf, Dublin, Edinburgh, Faro, Frankfurt, Geneva, Gibraltar, Glasgow, Hamburg, Helsinki, Hong Kong, Honolulu, Istanbul, Jakarta, Jerusalem, Jersey, Karachi, Kuwait, Las Vegas, Las Palmas, Lima, Lisbon, London, Luxembourg, Lyon, Madeira, Madrid, Manila, Melbourne, Miami, Moscow, Murcia, Nairobi, Naples, Nassau, New York, Nice, Niissa, Oslo, Paris, Perth, Prague, Rangoon, Reykjavik, Rome, Seoul, Singapore, Stockholm, Sydney, Taipei, Tel Aviv, Tokyo, Toronto, Vancouver, Venice, Vienna, Warsaw, Washington, Wellington, Winnipeg, Zurich.

